



August 23, 2019  
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 August 23, 2019, at 10:00 a.m., in the Arizona Lottery Board Room, located at 4740 East University Drive, Phoenix, Arizona. 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, as well as for the purposes listed on the agenda under Executive Session. The Commission may also vote on any item listed on the agenda. One or more members of the Commission may participate by means of telephonic communication.

### **Call to Order**

1. Call for Quorum
2. Call for Notice
3. Approval of Minutes for June 21, 2019 Public Meeting

### **Agency Reports**

1. Retailer of the Year
2. Director's Presentation
3. Marketing Presentation
4. 4<sup>th</sup> Quarter Product & Sales Review – No Presentation

### **New Business**

1. Discussion and action on new instant scratch game profiles: *Quick Win Bingo* #1234, *Crossword Celebration* #1247, *The Cash Wheel* #1248, *One Word Crossword* #1249, *5X the Cash* #1251, *10X the Cash* #1252, *20X the Cash* #1253, and *50X the Cash* #1254.
2. Discussion and action on new Fast Play game profile: *Fro\$ty Fun* #116.
3. Discussion and action on second chance promotion profile: *Holiday Bonus* #98.

### **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**

The next Commission meeting will be held September 20, 2019 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 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.

Dated this 19<sup>th</sup> day of August, 2019

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Gregory R. Edgar  
Executive Director

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

**PUBLIC MEETING OF THE ARIZONA LOTTERY**  
COMMISSION MINUTES June 21, 2019

**PRESIDING** Chair Jeff Weintraub

**COMMISSIONERS** Debra Roth, Julie Katsel and Trent Crump

**LOTTERY** Raynie Hosto, Deputy Director of Sales and Customer Service; Chris Rogers, Deputy Director of Products & Marketing; Sherri Zendri, Deputy Director of Legal Services

Kimberly Siddall, Ivy Gilio, Shelby Alessi, Karla Henriksen, Mary Cimaglio, John Gilliland, and Stacey Henderson.

**GUEST** Attorney General Representative: Pamela Linnins  
Pollard Banknote Representative: John Papile  
Scientific Games Representatives: Julio Dieppa, Topper Wilson, Rachelle Shackelford  
Owens Harkey Representative: Chelsea Smeland

**PUBLIC** Katie Hudson – UCP, Scott Heller and Alyssa Moniuszko – MSS, Greg Chmielewski - ADOA

**Call to Order** - Pursuant to the Public Notice dated June 17, 2019, 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.

Chair Weintraub entertained a motion to approve the minutes of the May 17, 2019 public meeting; Commissioner Katsel moved; Commissioner Roth seconded. The vote was unanimous with all members voting aye and the motion was carried.

Director Edgar provided gross sales numbers in comparison to the FY19 Projections.

**New Business** – Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant scratch game profiles: *Loteria Grande* #1229, *Quarter Million Crossword* #1230, *I Love the Bens* #1235, *100 Large* #1236, *Merry Multiplier* #1242, *\$50 Frenzy* #1243, *Lucky* #1244, *Wild Doubler* #1246 and *Hit the Jackpot* #1250. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the orders and authorize the Director to issue the orders regarding new instant scratch game profiles #1229, #1230, #1235, #1236, #1242, #1243, #1244, #1246, and #1250. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

Chair Weintraub asked if any members of the public wanted to address the Commission regarding the instant tab general game profile. 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 instant tab general game profile. Commissioner Roth moved; Commission Katsel seconded. The vote was unanimous with all members voting aye and the motion was carried.

Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant tab game profiles: *Protect the Flag* #125, *Lucky Bucks* #126, *American Pride* #127 and *Watch 'Em Spin* #128. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the orders and authorize the Director to issue the orders regarding new instant tab game profiles #125, #126, #127, and #128. Commissioner Katsel moved; Commissioner Roth seconded. The vote was unanimous with all members voting aye and the motion was carried.

Chair Weintraub asked if any members of the public wanted to address the Commission regarding new Fast Play game profiles: *Ca\$h Bash Progressive* #114 and *Arizona Fast Fortune* #115. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the orders and authorize the Director to issue the orders regarding new Fast Play game profiles #114 and #115. Commissioner Crump moved; Commissioner Katsel seconded. The vote was unanimous with all members voting aye and the motion was carried.

**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 August 23, 2019, at 10:00 a.m.

**Adjournment** - Chair Weintraub entertained a motion to adjourn. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

**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

**Agency Reports**  
Report to Arizona Lottery Commission  
August 23, 2019

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**Retailer of the Year**

**Director's Presentation**

**Marketing Presentation**

**4<sup>th</sup> Quarter Product & Sales Review- No Presentation**

**New Games Introductions**

The following games were introduced since the last commission meeting: *Triple It #1197, Win it All #1208, \$100K Payday #1210, Power 5 #1211, Lady Luck #1222 and The Addams Family© Fortune #1227.*

More information on these games is available by visiting the [Scratchers](#) section at ArizonaLottery.com

The following games were approved to end consistent with the Instant Scratch Game Ending Policy. Players have 180 days from the game-ending date to claim prizes.

<b>Date Ended</b>	<b>Price Point</b>	<b>Game No.</b>	<b>Game Name</b>	<b>Beginning Inventory</b>	<b>% Sold through 8/12/19</b>
8/3/19	\$2	1205	Easy \$50	2,010,900	82.2%
8/9/19	\$10	1207	Multiplier Mania	1,711,500	85.4%

# **ATTACHMENT A**





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# Dashboard Report August 2019

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**SERVING ARIZONA  
FOR 38 YEARS**

0.6%

vs. Proj (FYTD)

Total Sales (FYTD)  
\$1,076,794,339

9.7%

vs. PYTD

5.7%

vs. Proj (FYTD)

Draw Sales  
\$316,597,992 <sup>29.4%</sup>  
%Total Sales

vs. PYTD

20.9%

-1.3%

vs. Proj (FYTD)

Instant Sales  
\$760,196,347 <sup>70.6%</sup>  
%Total Sales

vs. PYTD

5.6%

5.5%

vs. Proj (FYTD)

Multi-State  
\$214,136,510 <sup>67.6%</sup>  
%Draw Sales

vs. PYTD

19.4%

-1.3%

vs. Proj (FYTD)

Scratchers Sales  
\$750,278,323 <sup>88.7%</sup>  
%Instant Sales

vs. PYTD

5.5%

12.0%

vs. Proj (FYTD)

In-State  
\$84,708,070 <sup>26.8%</sup>  
%Draw Sales

vs. PYTD

14.1%

-6.5%

vs. Proj (FYTD)

Charitable Pulltab Sales  
\$7,387,974 <sup>1.0%</sup>  
%Instant Sales

vs. PYTD

4.1%

-15.5%

vs. Proj (FYTD)

Fast Play  
\$17,753,412 <sup>5.6%</sup>  
%Draw Sales

vs. PYTD

119.2%

-10.5%

vs. Proj (FYTD)

Age Rest. Pulltab Sales  
\$2,238,450 <sup>0.3%</sup>  
%Instant Sales

vs. PYTD

38.3%

Draw Sales : From 7/1/2014 - To 7/4/2019

Fast Play Sales : From 2/11/2018 - To 7/4/2019

Scratcher Sales : From 7/1/2014 - To 7/4/2019

Pulltab Sales : From 7/1/2014 - To 7/3/2019

-

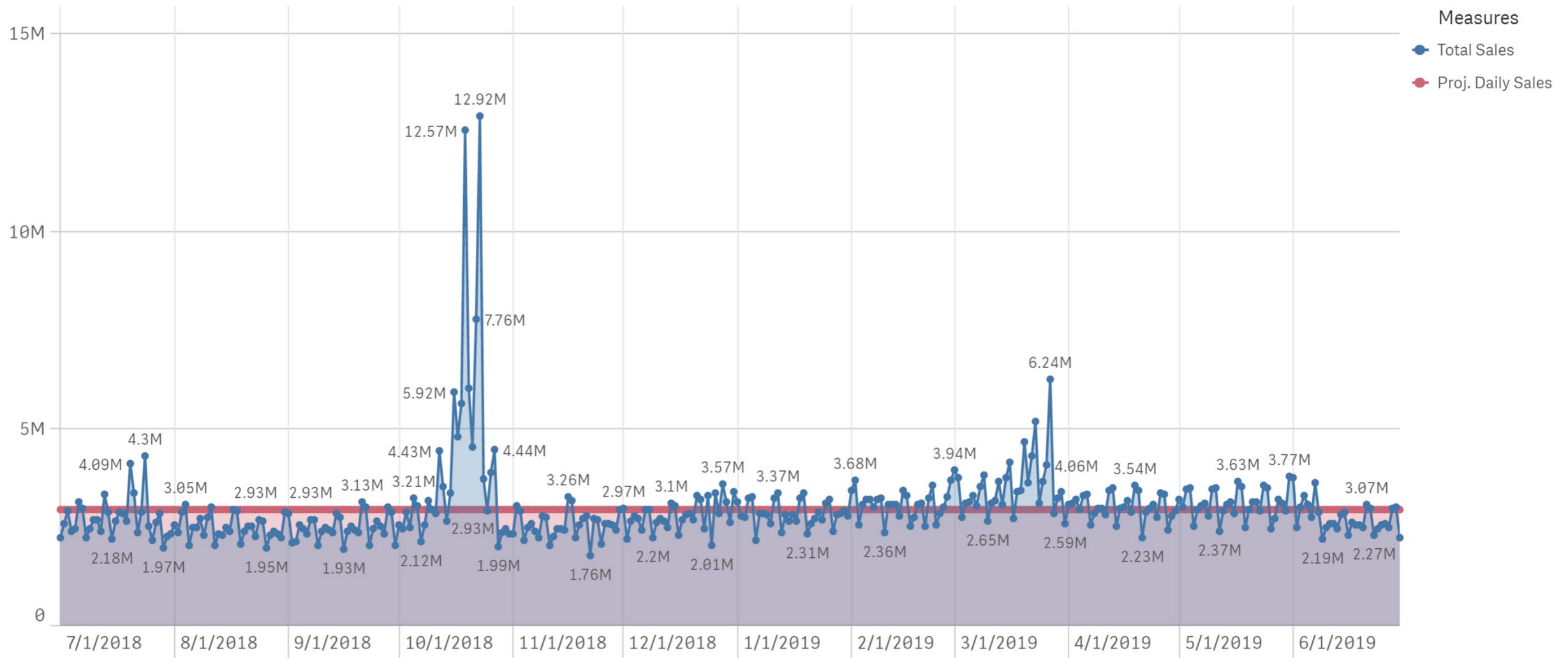
vs. Proj (FYTD)

Other Pulltab Sales

\$291,600 <sup>0.0%</sup>  
%Instant Sales

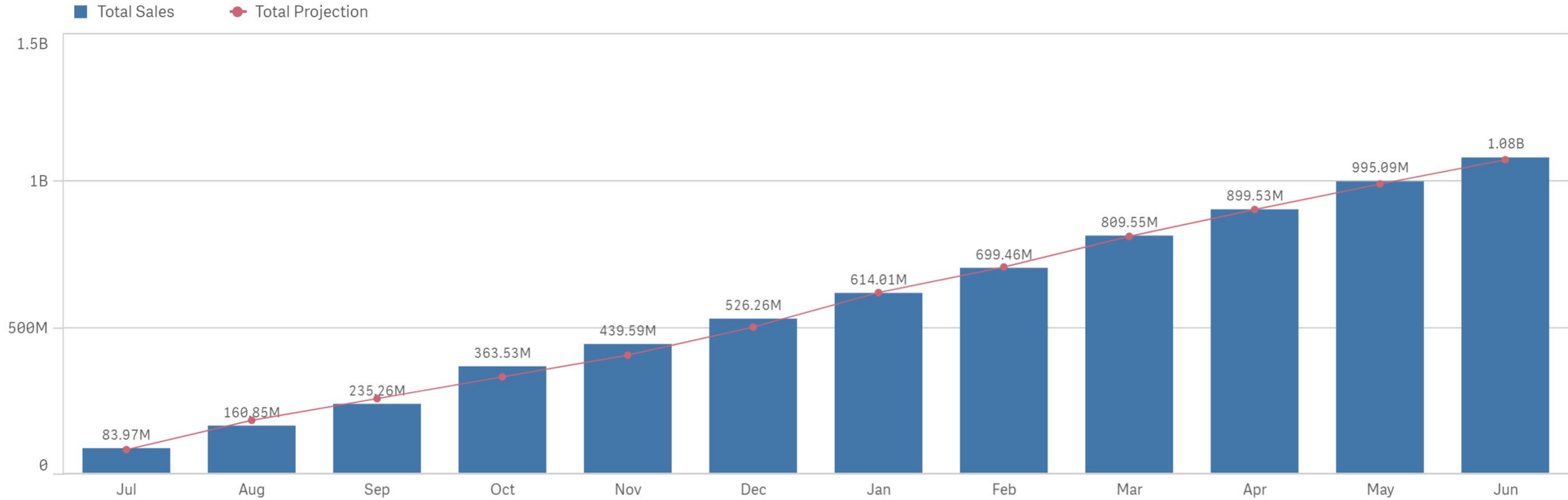
vs. PYTD

# Daily Sales vs Goal



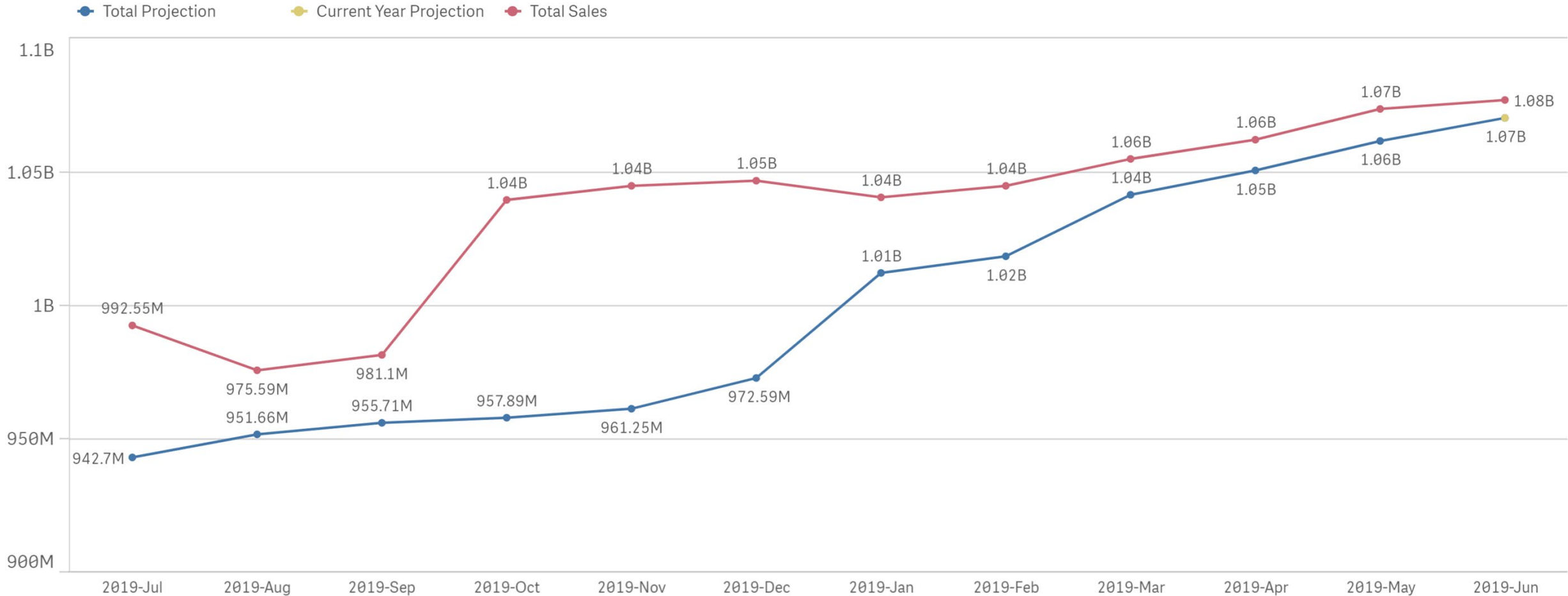
# YTD Sales vs. Projection

## FY 2019 Total Sales vs. Projection

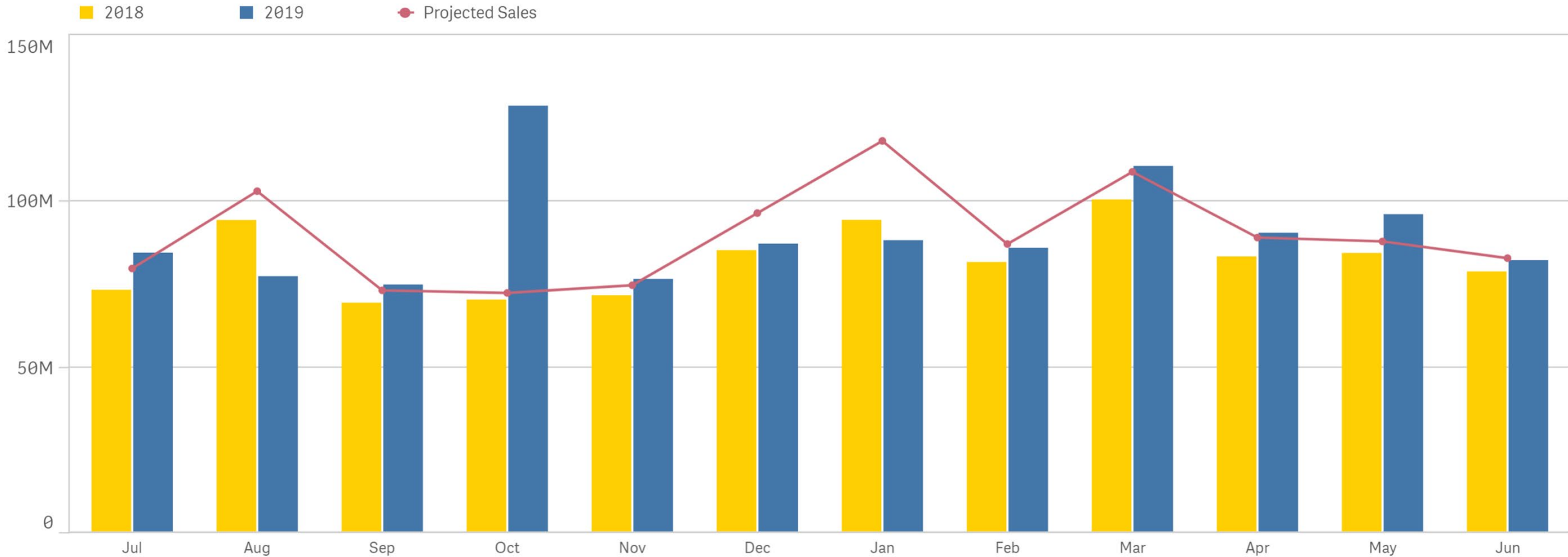


# Rolling 12 Month Total Sales

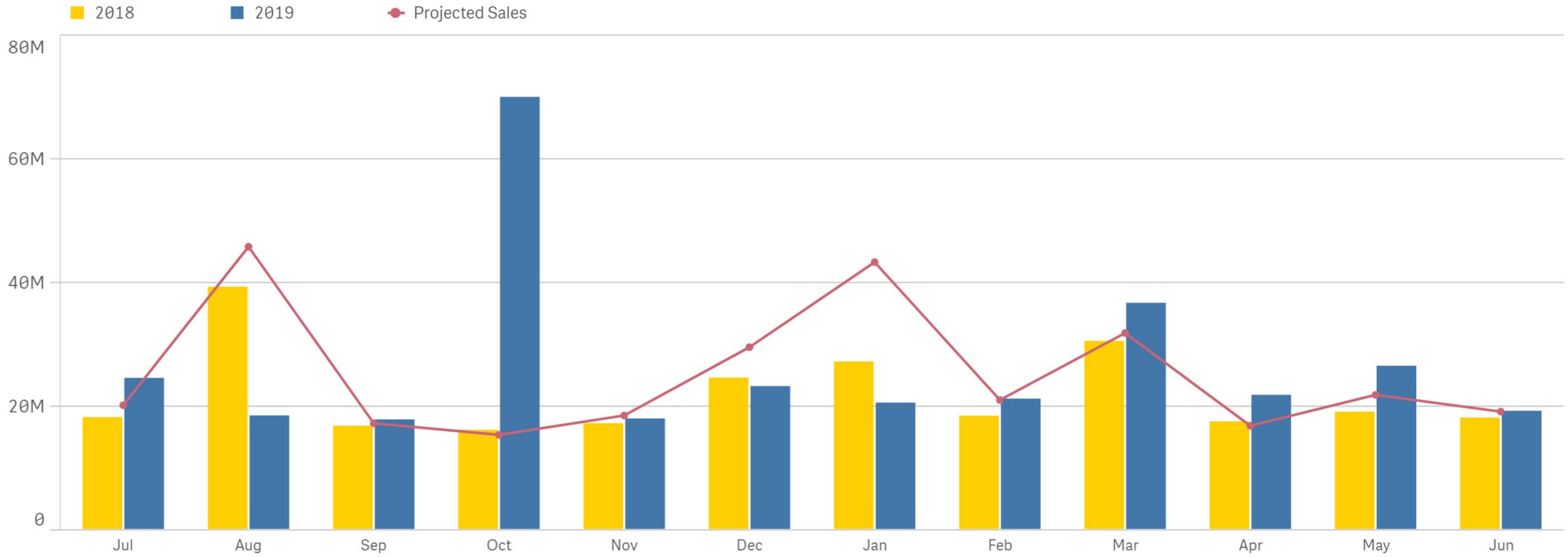
### Rolling 12 Month Sales



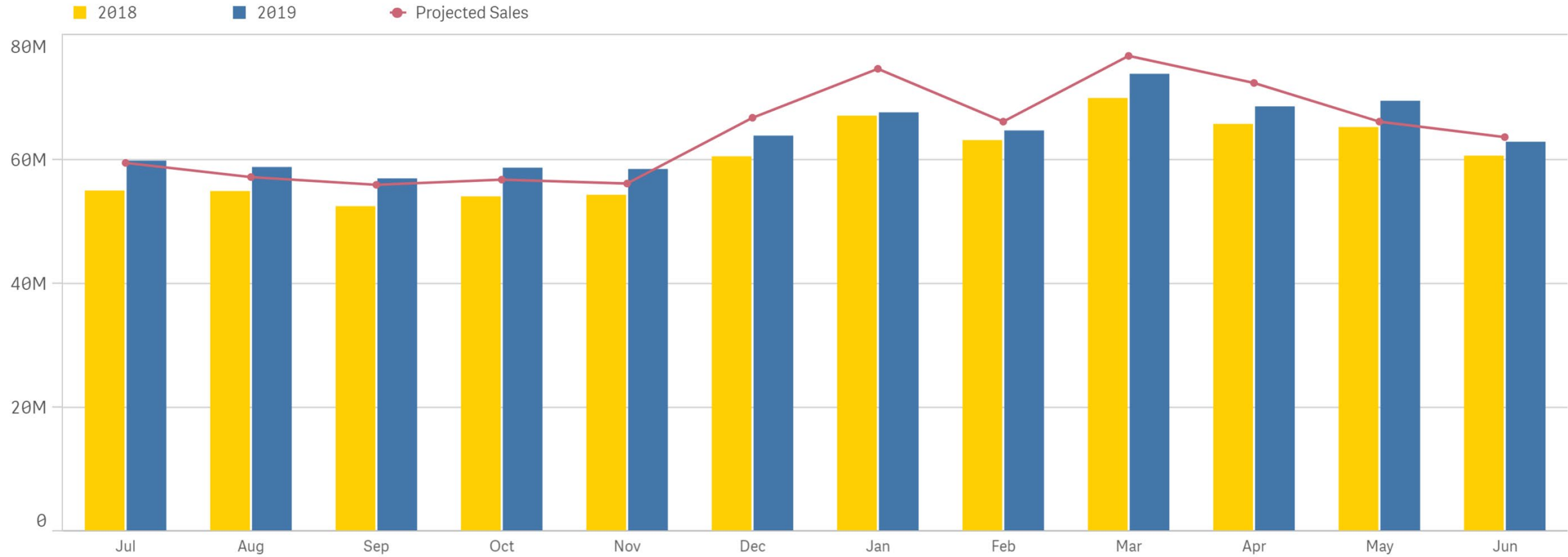
Total Sales FY 2018 vs. 2019 vs. Projection



### Draw Sales FY 2018 vs. 2019 vs. Projection



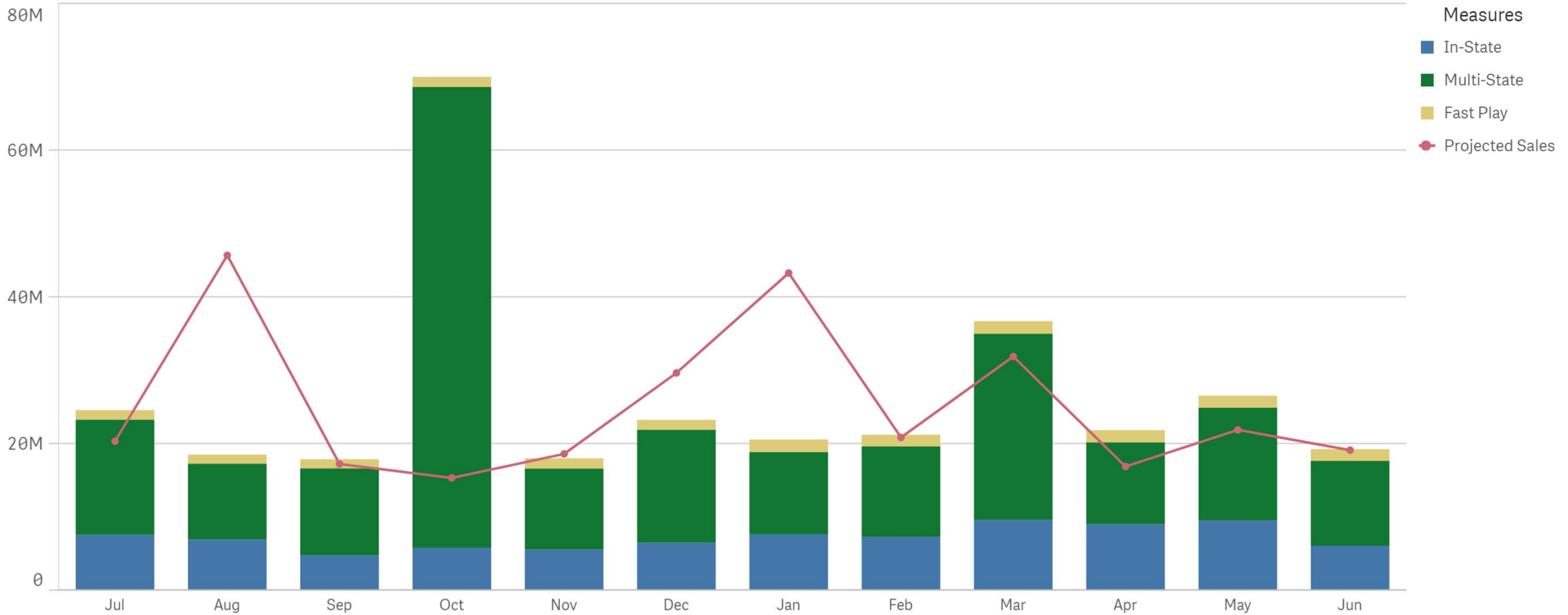
### Instant Sales FY 2018 vs. 2019 vs. Projection





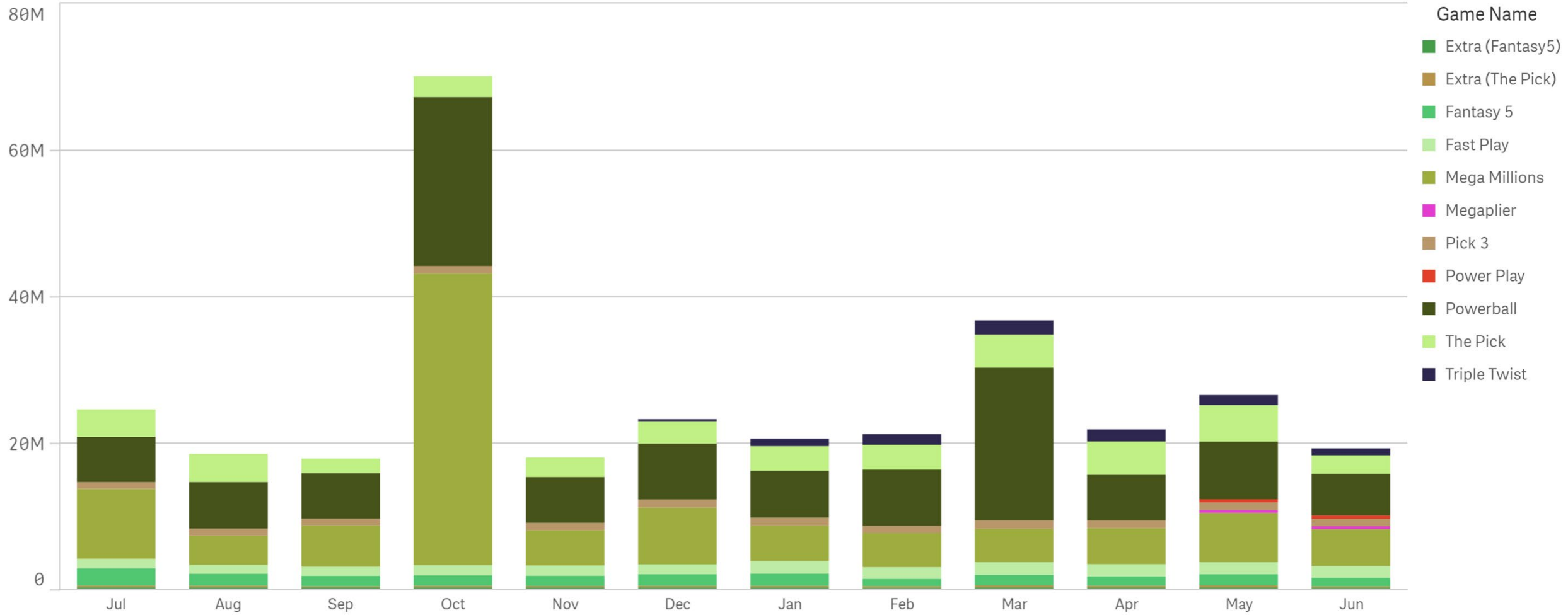
# Draw Sales by Month

FY 2019 Draw Sales by Multi-State & In-State



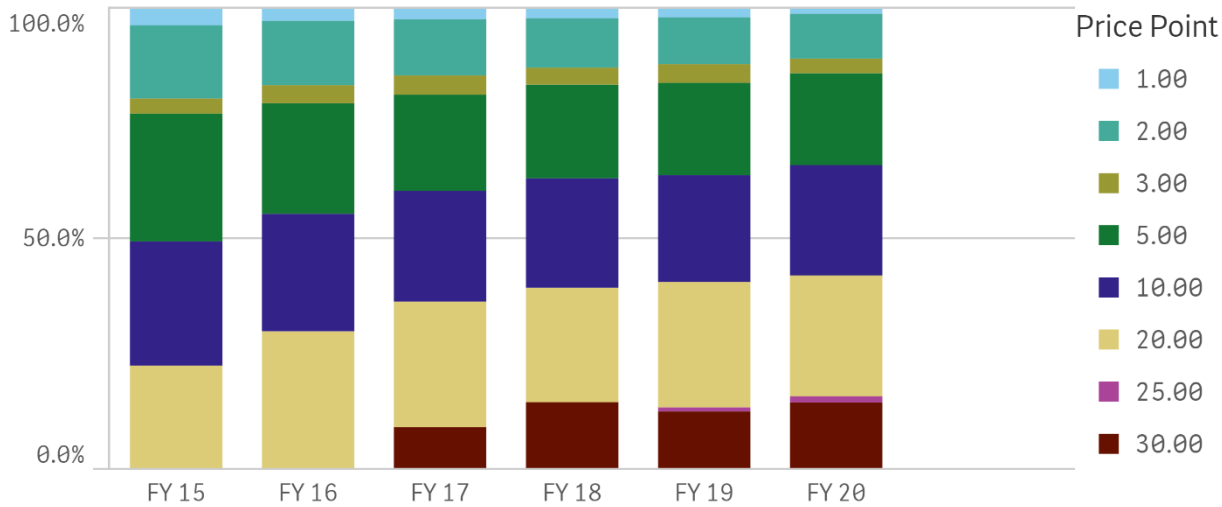
# Draw Sales by Game

FY 2019 Draw Sales by Game

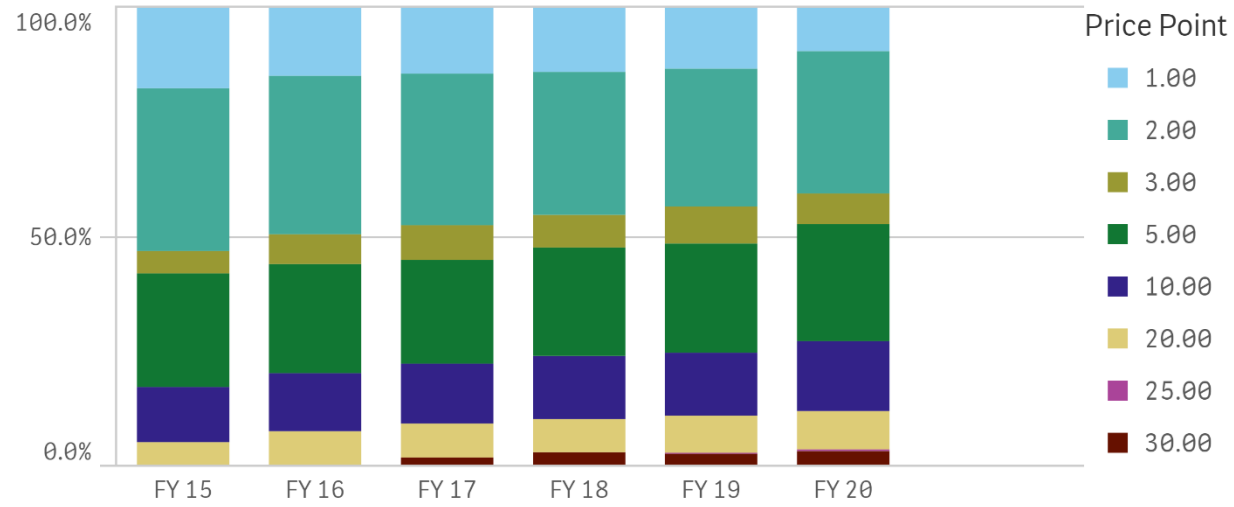


# Scratcher Sales by Price Point

Based on Dollars Sold



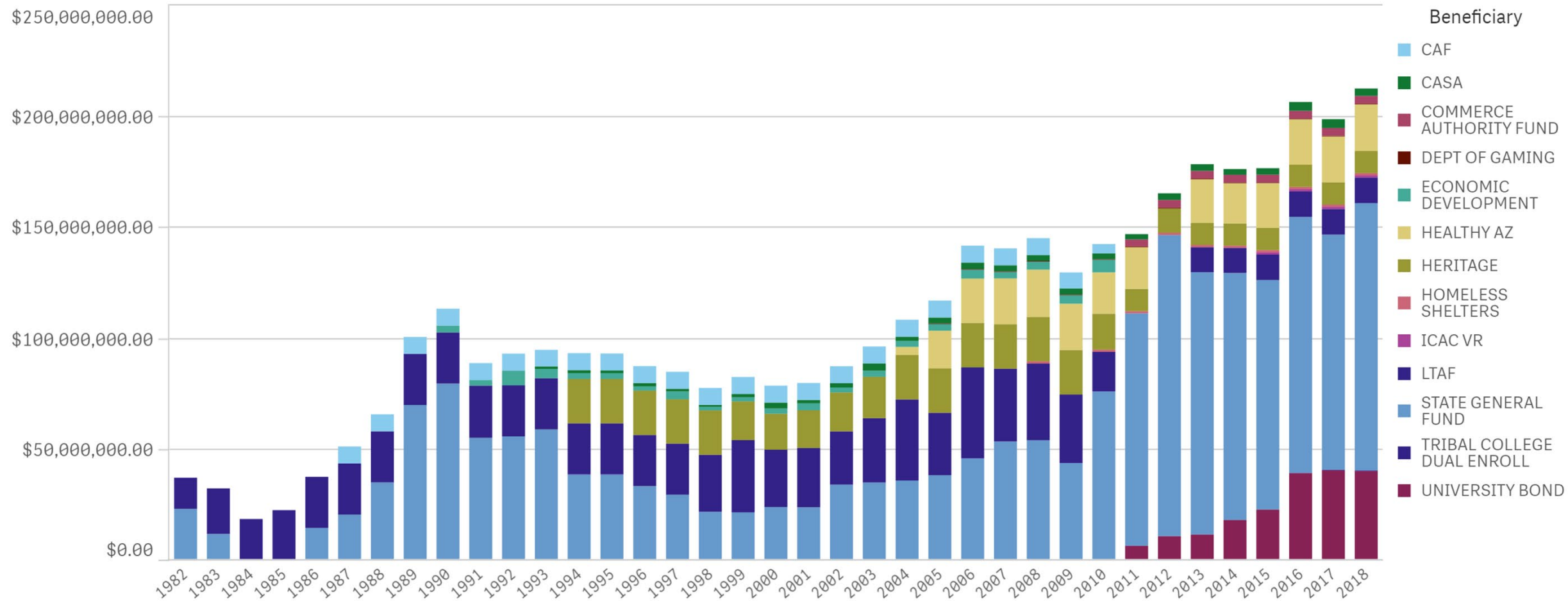
Based on Tickets Sold



Price Point	FY 15	FY 16	FY 17	FY 18	FY 19	Price Point	FY 15	FY 16	FY 17	FY 18	FY 19
1.00	\$21,852,857	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856	1.00	21,852,857	18,183,806	17,230,930	17,675,313	17,327,856
2.00	\$86,110,390	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580	2.00	43,055,195	41,128,564	38,540,320	38,143,210	38,022,790
3.00	\$17,793,777	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967	3.00	5,931,259	7,774,485	8,782,789	8,734,926	10,138,989
5.00	\$150,203,925	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810	5.00	30,040,785	28,315,735	26,364,618	28,884,781	30,058,962
10.00	\$145,784,060	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390	10.00	14,578,406	15,039,869	15,223,175	16,866,241	17,376,339
20.00	\$120,285,280	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420	20.00	6,014,264	8,748,198	8,619,666	8,818,238	10,200,371
25.00	\$0	\$0	\$0	\$0	\$6,504,400	25.00	0	0	0	0	260,176
30.00	\$0	\$0	\$55,673,280	\$101,269,350	\$91,917,900	30.00	0	0	1,855,776	3,375,645	3,063,930



Transfer Amount by Beneficiary



# Draw Game Monthly Sales



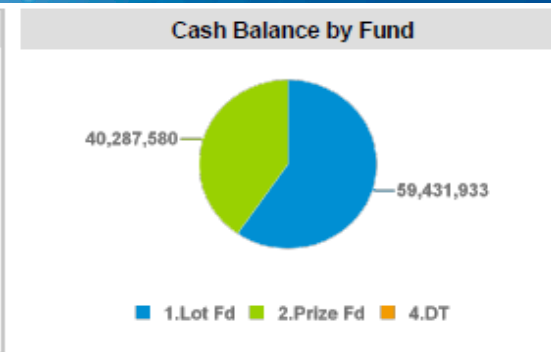
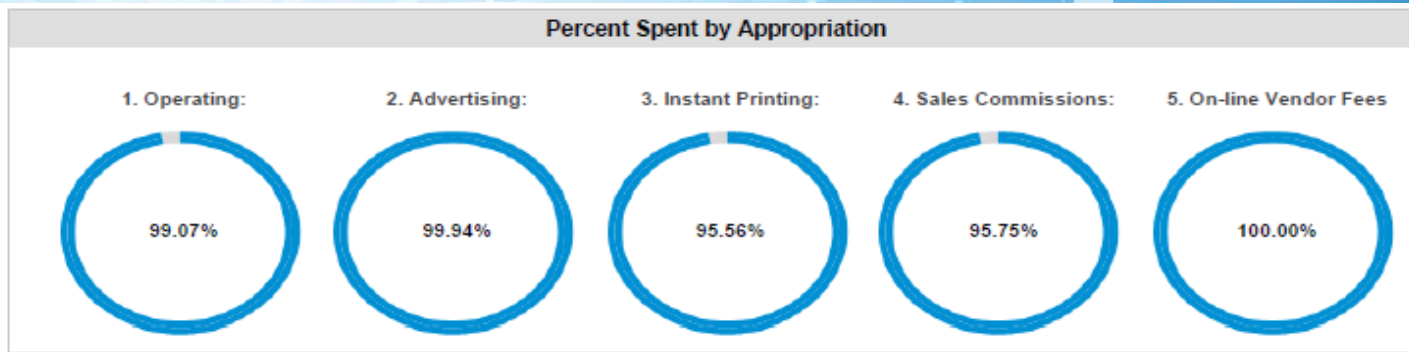
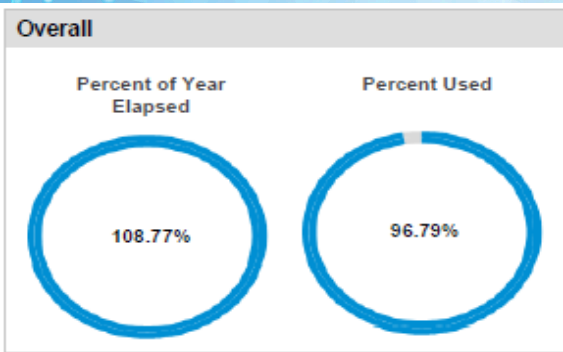
Month	POWERBALL	MEGA MILLIONS	TOTAL MULTI-STATE DRAW GAMES	THE PICK	FANTASY 5	PICK 3	ALL OR NOTHING	5 CARD CASH	TRIPLE TWIST	TOTAL IN-STATE DRAW GAMES	TOTAL DRAW GAMES
Jul	\$6,181,961	\$9,526,071	\$15,708,032	\$3,965,825	\$2,541,346	\$920,645	\$0	\$0	\$0	\$7,427,816	\$24,429,923
Aug	\$6,355,053	\$3,982,041	\$10,337,094	\$4,068,959	\$1,780,073	\$951,926	\$0	\$0	\$0	\$6,800,958	\$18,365,251
Sep	\$6,218,921	\$5,639,620	\$11,858,541	\$2,138,003	\$1,581,549	\$914,416	\$0	\$0	\$0	\$4,633,968	\$17,728,858
Oct	\$23,043,283	\$39,769,954	\$62,813,237	\$3,050,407	\$1,585,835	\$1,029,883	\$0	\$0	\$0	\$5,666,125	\$69,865,044
Nov	\$6,241,754	\$4,798,835	\$11,040,589	\$2,860,276	\$1,559,410	\$1,015,735	\$0	\$0	\$0	\$5,435,421	\$17,861,580
Dec	\$7,626,696	\$7,761,914	\$15,388,610	\$3,277,416	\$1,752,217	\$1,073,754	\$0	\$0	\$267,194	\$6,370,581	\$23,092,982
Jan	\$6,392,044	\$4,837,001	\$11,229,045	\$3,561,173	\$1,831,830	\$1,090,325	\$0	\$0	\$1,011,224	\$7,494,552	\$20,425,808
Feb	\$7,657,782	\$4,644,659	\$12,302,441	\$3,603,057	\$1,118,180	\$1,001,939	\$0	\$0	\$1,455,614	\$7,178,790	\$21,064,588
Mar	\$20,826,393	\$4,560,574	\$25,386,967	\$4,779,067	\$1,604,017	\$1,148,761	\$0	\$0	\$1,930,998	\$9,462,843	\$36,562,596
Apr	\$6,231,363	\$4,910,377	\$11,141,740	\$4,788,457	\$1,409,865	\$1,052,629	\$0	\$0	\$1,644,024	\$8,894,975	\$21,696,925
May	\$7,861,776	\$6,735,540	\$15,376,033	\$5,252,098	\$1,684,156	\$1,068,952	\$0	\$0	\$1,375,914	\$9,381,120	\$26,389,770
Jun	\$5,671,896	\$5,044,120	\$11,554,181	\$2,713,845	\$1,294,733	\$1,007,057	\$0	\$0	\$945,286	\$5,960,921	\$19,114,667



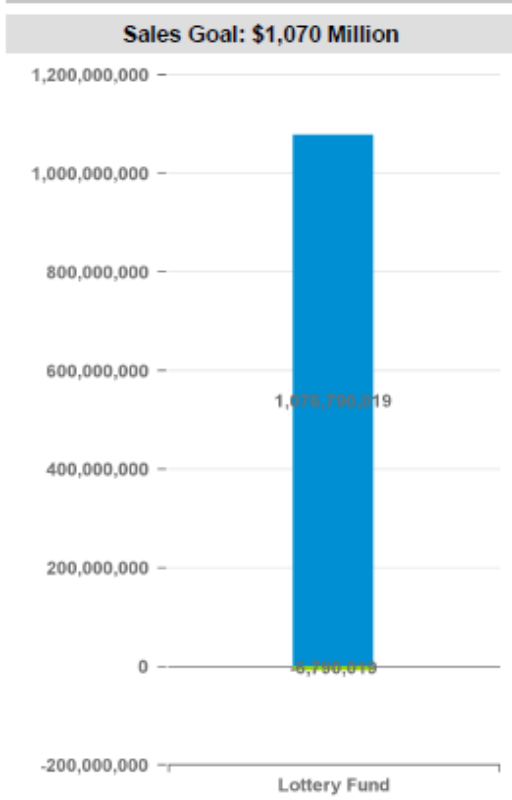
# Instant Game Monthly Sales

Month	SCRATCHERS	CHARITABLE PULL-TABS	AGE-RESTRICTED PULL-TABS	TOTAL INSTANT SALES CURRENT FY	TOTAL INSTANT SALES PREVIOUS FY	% of Change
Jul	\$58,861,119	\$548,340	\$127,440	\$59,536,899	\$54,720,609	8.8%
Aug	\$57,780,629	\$544,836	\$187,920	\$58,513,385	\$54,652,925	7.1%
Sep	\$56,033,162	\$506,766	\$145,800	\$56,685,728	\$52,208,456	8.6%
Oct	\$57,649,986	\$578,478	\$159,840	\$58,403,424	\$53,778,411	8.6%
Nov	\$57,366,280	\$671,640	\$146,490	\$58,202,770	\$54,050,272	7.7%
Dec	\$62,767,564	\$636,204	\$152,280	\$63,575,488	\$60,239,793	5.5%
Jan	\$66,267,753	\$769,338	\$243,000	\$67,318,971	\$66,782,843	0.8%
Feb	\$63,507,082	\$648,630	\$185,760	\$64,393,312	\$62,837,368	2.5%
Mar	\$72,517,506	\$698,286	\$255,960	\$73,524,672	\$69,616,417	5.6%
Apr	\$67,373,743	\$659,772	\$219,240	\$68,280,835	\$65,446,750	4.3%
May	\$68,310,717	\$588,756	\$211,680	\$69,167,313	\$64,938,425	6.5%
Jun	\$61,842,782	\$536,928	\$203,040	\$62,593,550	\$60,327,873	3.8%

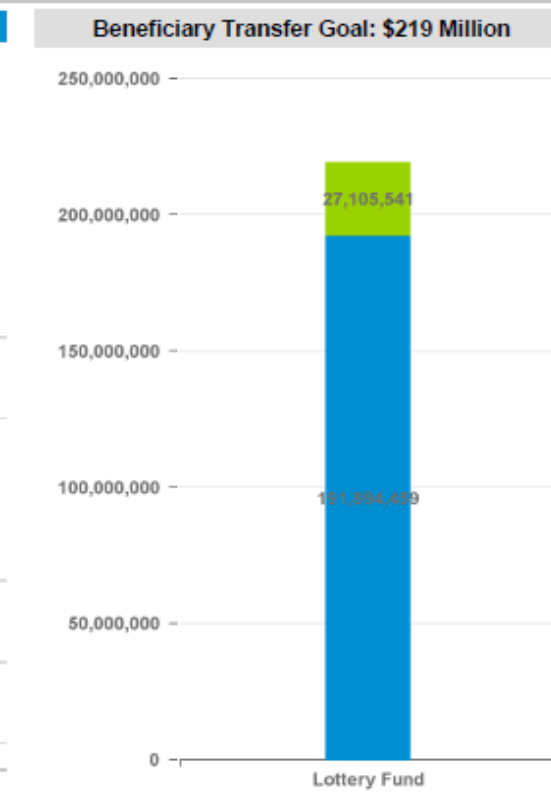
# FY19 Year-To-Date Financial Status



## Budget by Appropriation Type and Object Class



Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used
1. Operating:	6000 - Personal Services	4,445,000	4,358,887	-	86,113	98.06%
	6100 - Employee Related Expenditures	1,839,000	1,777,151	-	61,849	96.64%
	6200 - Professional And Outside Services	651,800	508,683	111,314	31,803	95.12%
	6500 - Travel - In-State	301,600	308,215	1,866	-8,482	102.81%
	6800 - Travel - Out-Of-State	58,800	59,964	2,500	-5,664	109.97%
	7000 - Other Operating Expenditures	1,523,200	1,429,802	79,463	14,134	99.07%
	8100 - Capital Outlay	-	-	-	-	100.00%
	8400 - Capital Equipment	-	-	-	-	100.00%
	8500 - Non-Capital Equipment	235,000	248,968	816	-14,784	106.29%
	9100 - Transfers Out	150,000	229,675	-	-79,675	153.12%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>9,202,400</b>	<b>8,921,144</b>	<b>195,960</b>	<b>85,296</b>	<b>99.07%</b>
2. Advertising:	7000 - Other Operating Expenditures	15,500,000	15,465,541	24,607	9,852	99.94%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>15,500,000</b>	<b>15,465,541</b>	<b>24,607</b>	<b>9,852</b>	<b>99.94%</b>
3. Instant Printing:	6200 - Professional And Outside Services	-	23,205	14,358	-37,563	100.00%
	6600 - Travel - Out-Of-State	-	-	-	-	100.00%
	7000 - Other Operating Expenditures	26,362,800	15,174,140	485,179	10,703,481	59.40%
	8400 - Capital Equipment	1,004,100	10,456,100	-	-9,452,000	1041.34%
- NOT ENTERED	-	-	-	-	100.00%	
<b>Total:</b>		<b>27,366,900</b>	<b>25,653,445</b>	<b>499,536</b>	<b>1,213,918</b>	<b>95.56%</b>
4. Sales Commissions:	7000 - Other Operating Expenditures	76,335,700	73,088,556	0	3,247,144	95.75%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>76,335,700</b>	<b>73,088,556</b>	<b>0</b>	<b>3,247,144</b>	<b>95.75%</b>
5. On-line Vendor Fees:	6200 - Professional And Outside Services	13,474,400	13,467,781	6,630	-11	100.00%
	- NOT ENTERED	-	-	-	-	100.00%
	<b>Total:</b>	<b>13,474,400</b>	<b>13,467,781</b>	<b>6,630</b>	<b>-11</b>	<b>100.00%</b>
<b>Total:</b>		<b>141,879,400</b>	<b>136,596,467</b>	<b>726,734</b>	<b>4,556,199</b>	





# **ATTACHMENT B**

## **FY19 Year-End Product and Sales Report**

The first section of this report focuses on individual product performance and is provided by the Products team. In the second section, Raynie Hosto, Deputy Director of Customer Service & Sales, has provided information on retailer sales and rankings in several different categories. Staff is available to answer any questions the Commission may have.

**Arizona Lottery  
FY2019 Year-End– Product Review**

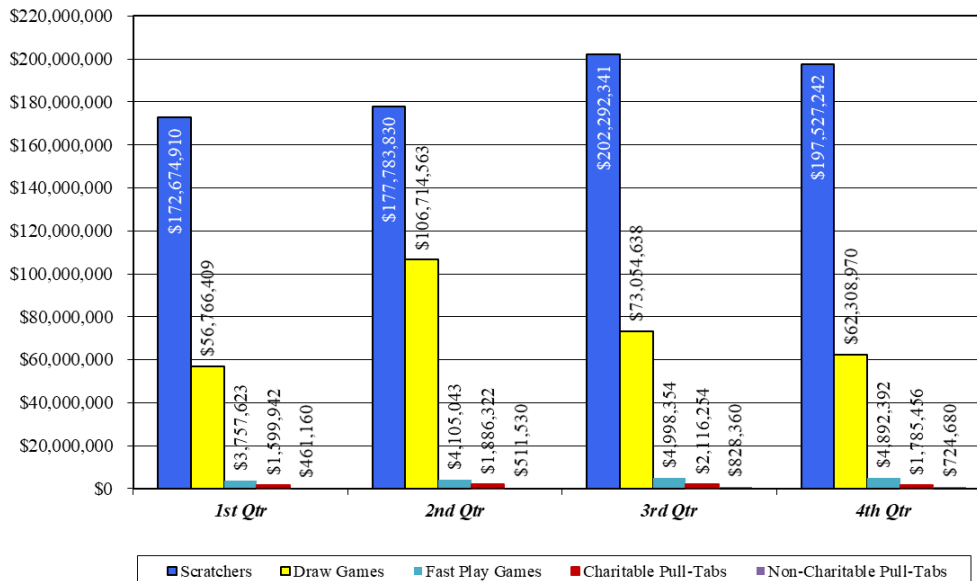
As part of a quarterly review process, we report to the agency on the performance of the individual Lottery products including draw, instant and Fast Play games. The information contained in this report includes the following:

- General overview of the fiscal year
- A top line review of sales performance of each product
- A summary review by price point for the instant games
- A top down look at the top performing instant games by revenue and tickets
- A review of new game introductions and game endings

**General Overview**

Sales for FY19 reached \$1,076,790,019, an increase of 9.7% over the previous fiscal year. The breakdown by product is as follows:

	<i><u>1<sup>st</sup> Quarter</u></i>	<i><u>2<sup>nd</sup> Quarter</u></i>	<i><u>3<sup>rd</sup> Quarter</u></i>	<i><u>4<sup>th</sup> Quarter</u></i>	<i><u>Total</u></i>	<i><u>Mkt Share</u></i>
<i><b>Scratchers®<sup>1</sup></b></i>	\$172,674,910	\$177,783,830	\$202,292,341	\$197,527,242	\$750,278,323	69.57%
<i><b>Draw Games</b></i>	\$56,766,409	\$106,714,563	\$73,054,638	\$62,308,970	\$298,844,580	27.86%
<i><b>Fast Play Games</b></i>	\$3,757,623	\$4,105,043	\$4,998,354	\$4,892,392	\$17,753,412	1.65%
<i><b>Charitable Pull-Tabs</b></i>	\$1,599,942	\$1,886,322	\$2,116,254	\$1,785,456	\$7,387,974	0.69%
<i><b>Non-Charitable Pull-Tabs</b></i>	\$461,160	\$511,530	\$828,360	\$724,680	\$2,525,730	0.23%
<i><b>Total</b></i>	\$235,260,044	\$291,001,288	\$283,289,947	\$267,238,740	\$1,076,790,019	



As indicated in the above chart, the Scratchers contribution to total sales exceeded the draw games in each quarter of the year and represented 69.57% of total sales. The market share for draw games is 27.86% of total sales, an increase over last fiscal year. Fast Play games represent 1.65% of total sales and pull-tabs represent 0.92% of total sales. Sales detail by product is provided in Attachments A and B.

<sup>1</sup> Scratchers® is a registered service mark of the California Lottery.

**Charitable Pull-Tabs**

The charitable games program continues to be strong with 151 organizations currently licensed and selling tickets. Sales for this fiscal year reached \$7,387,974, an increase of 4.1% over the previous year.

**Non-Charitable Pull-Tabs**

In the non-charitable games program, 41 retailers were added, bringing the total to 94 retailers licensed and selling tickets. Sales for this fiscal year reached \$2,525,730, an increase of 56% over the previous year.

**Scratchers Games**

Sales for Scratchers this fiscal year reached an all-time high of \$750,278,323, an increase of 5.5% over the last fiscal year.

Based on validations, players have earned more than \$518.7 million in prizes. The prizes paid calculated against the sales revenues equate to an average payout of 69.1%.

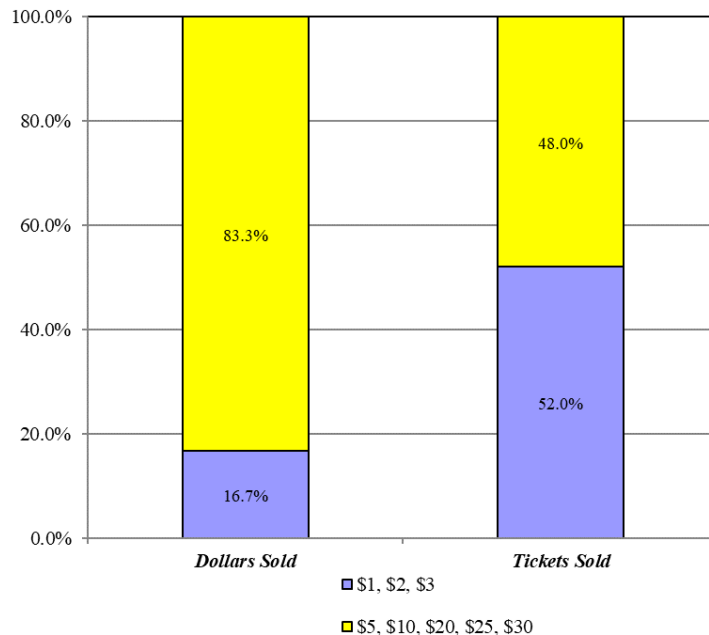
A total of 51 new games were introduced this fiscal year. Combined with the games carried forward, a total of 112 games contributed to the sales revenue for the year.

Price Point	\$1	\$2	\$3	\$5	\$10	\$20	\$25	\$30	Total
# New Games	8	10	4	12	10	5	1	1	51
Carried Forward	7	14	5	14	14	5	0	2	61

During this same period, 46 games were ended. Sixteen games were ended because the last top prize had been redeemed. The remaining games were ended as part of the standard game ending process, either because the games were out of inventory or the intended sales period had ended.

**Sales by Price Point**

The total number of tickets at the \$1, \$2 and \$3 price points continue to represent the largest volume of tickets sold at 52.0%, representing 16.5% of the Scratchers revenue. The \$5, \$10, \$20, \$25, and \$30 games accounted for 48.0% of the tickets sold and 83.5% of the Scratchers revenue. The chart below shows the breakdown of tickets and dollars for FY19. The charts on Attachment C show a comparable breakdown across all price points for the most recent five years.



Top 10 Games

The Crossword and Bingo style games continue to be strong with more than \$213.56 million in sales, representing 28.46% of total Scratchers sales. In terms of dollars sold, four of the top ten games are Crossword and Bingo style games; they also represent seven of the top ten games in terms of tickets sold. The \$20 spotlight game, *\$215 Million Cash Explosion* (#1190) and its predecessor, *\$200 Million Cash Explosion* (#1080), have combined fiscal year sales totaling more than \$116 million, representing 15.5% of total Scratchers sales for the year.

The table below identifies the top 10 games in terms of sales revenue generated and total tickets sold through the end of the fiscal year.

Top 10 games in sales revenue			Top 10 games in tickets sold		
	<u>Game</u>	<u>Sales Revenue</u>		<u>Game</u>	<u>Tickets Sold</u>
\$20	1190 \$215 Million Cash Explosion	\$89,743,160	\$2	1171 Crossword	12,454,736
\$30	1134 Royal Millions	\$65,805,990	\$2	1170 Bingo	4,997,201
\$20	1080 \$200 Million Cash Explosion	\$26,301,840	\$2	1172 Red Hot 7s	4,664,334
\$30	1217 Arizona Millionaire’s Club	\$26,112,450	\$5	1158 24 Karat Crossword	4,583,392
\$2	1171 Crossword	\$24,909,472	\$20	1190 \$215 Million Cash Explosion	4,487,158
\$10	1187 \$100,000 Crossword	\$24,610,950	\$5	1195 Late Night Crossword	3,067,292
\$20	1174 Arizona Gold	\$24,027,580	\$5	1189 Magic Number Bingo	2,954,064
\$5	1158 24 Karat Crossword	\$22,916,960	\$3	1200 Crossword Corner Cash	2,903,407
\$20	1191 \$250,000 Crossword	\$22,129,740	\$2	1140 Bingo	2,725,473
\$10	1192 Triple Red 7’s	\$19,636,220	\$5	1185 Green Line Slingo Trio	2,561,896

Draw Games

Total draw games sales for the year reached \$298,844,580, an increase of 17.8% over the previous year.

Draw Games – Multi-State Games

**Powerball** – Sales for the year totaled \$111,184,626, a decrease of 6.2% from the previous year. The highest jackpot reached in the fourth quarter of the fiscal year was \$350M on the first day of June. The highest jackpot for the fiscal year was \$750,000,000 in both October 2018 and March 2019.

**Mega Millions** – Sales for the year totaled \$102,951,884, an increase of 69% over the previous year. The highest jackpot reached in the fourth quarter of the fiscal year was \$530 million at the beginning of June. The highest jackpot for the fiscal year was \$1.6 billion in October 2018.

Draw Games – In-State Games

**Triple Twist™** – Sales from the December 2018 game launch through the fourth quarter of the fiscal year totaled \$8,630,254. The game had its first jackpot winner of \$1.9 million on May 22, 2019.

**The Pick™** – Sales for the year totaled \$44,058,583, an increase of 9.5% over the previous year. The highest jackpot reached in the fourth quarter of the fiscal year was \$14.6 million in the first week of June. This was the highest jackpot for the fiscal year.

**Fantasy 5™** – Sales for the year totaled \$19,743,211, an increase of 11% over the previous year. The highest jackpot reached in the fourth quarter of the fiscal year was \$418,000 at the beginning of June. The highest jackpot for the fiscal year was \$616,000 in July 2018.

**Pick 3™** – Sales for the year totaled \$12,276,022, an increase of 4.8% over the previous year.

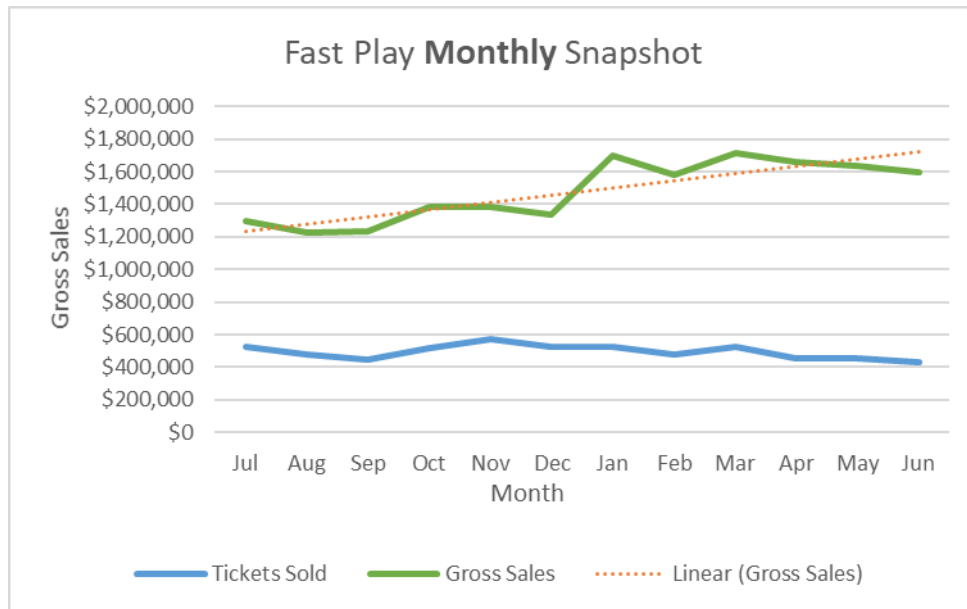
**Fast Play Games**

Four new Fast Play games were launched in FY19, expanding the portfolio to ten; three of which are progressive jackpots. FY19 Fast Play sales totaled \$17,753,412. The snapshot below shows a per-game breakdown.

Game	Price	Name	Tickets Sold	Gross Sales
100	\$1.00	PIGGY BANK BUCKS	280,340	\$280,340.00
101	\$2.00	JACKPOT PARTY PROGRESSIVE	829,094	\$1,658,188.00
102	\$5.00	CRAZY 8S	595,725	\$2,978,625.00
103	\$5.00	Cherry Twist PROGRESSIVE	756,282	\$3,781,410.00
104	\$1.00	Piggy Bank BUCKS	653,143	\$653,143.00
106	\$1.00	COMIC CASH	681,609	\$681,609.00
107	\$2.00	Treasure Chase	402,502	\$805,004.00
108	\$1.00	\$20 ON THE SPOT	755,783	\$755,783.00
109	\$5.00	HOT NUMBERS	255,109	\$1,275,545.00
111	\$5.00	Cherry Twist PROGRESSIVE	214,181	\$1,070,905.00
112	\$2.00	LOTS OF \$50S	233,160	\$466,320.00
113	\$10.00	CASINO CASH	334,654	\$3,346,540.00
<b>Grand Total</b>			<b>5,991,582</b>	<b>\$17,753,412.00</b>

The \$2 Jackpot Party Progressive game continues to lead in overall tickets sold (829,094 in FY19), with \$5 Cherry Twist Progressive on its heels at 756,282. Bearing in mind the staggered launch of various price points throughout the fiscal year, \$1 Fast Play games came ahead in total tickets sold with 2,118,875. Cherry Twist Progressive had the highest jackpot in FY19, reaching \$50,433 on September 15, 2018.

The graph below illustrates Fast Play monthly gross sales for FY19.



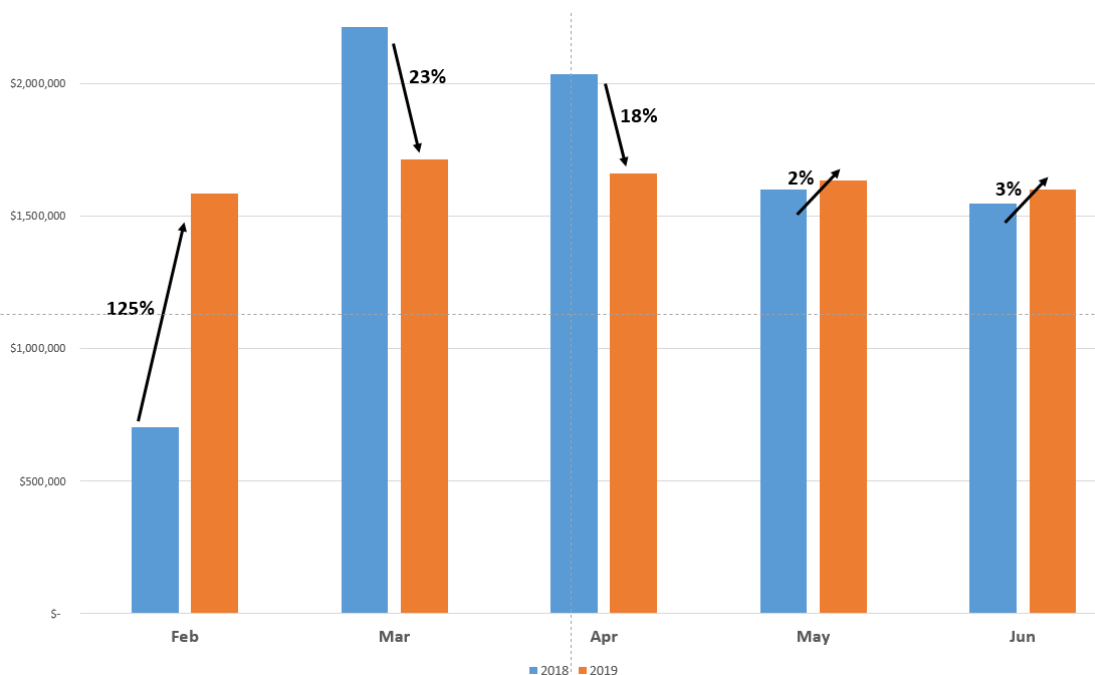
A total of 97 Fast Play progressive jackpots and top prizes were won in the fiscal year, awarding more than \$1 million in prizes.

**2018 vs. 2019 Weekly Sales Comparison**

	2018	2019	Weekly YOY
2/11 - 2/17	\$ 271,060	\$ 376,361	39%
2/18 - 2/24	\$ 263,253	\$ 377,465	43%
2/25 - 3/3	\$ 351,262	\$ 424,460	21%
3/4 - 3/10	\$ 516,620	\$ 389,026	-25%
3/11 - 3/17	\$ 489,274	\$ 382,525	-22%
3/18 - 3/24	\$ 517,171	\$ 386,070	-25%
3/25 - 3/31	\$ 506,790	\$ 370,433	-27%
4/1 - 4/7	\$ 512,840	\$ 379,367	-26%
4/8 - 4/14	\$ 505,486	\$ 378,020	-25%
4/15 - 4/21	\$ 498,912	\$ 397,298	-20%
4/22 - 4/28	\$ 415,319	\$ 392,188	-6%
4/29 - 5/5	\$ 440,475	\$ 390,819	-11%
5/6 - 5/12	\$ 350,007	\$ 364,738	4%
5/13 - 5/19	\$ 337,182	\$ 363,556	8%
5/20 - 5/26	\$ 336,033	\$ 372,889	11%
5/27 - 6/2	\$ 342,694	\$ 355,598	4%
6/3 - 6/9	\$ 303,326	\$ 379,221	25%
6/10 - 6/16	\$ 341,580	\$ 373,161	9%
6/17 - 6/23	\$ 447,230	\$ 364,509	-18%
6/24 - 6/30	\$ 353,462	\$ 378,160	7%

February 2019 sales\* (\$1,583,357) surpassed February 2018 sales (\$703,154) by 125%. March 2018 sales (\$2,212,276), supported by a hard-hitting advertising campaign, exceeded March 2019 sales (\$1,712,786) by 23%. April 2018 sales also saw trickle effects of this successful launch campaign. As the summer months approached, 2019 Fast Play sales began to edge out 2018 by 2-3%.

**February - June 2018 vs. February - June 2019**



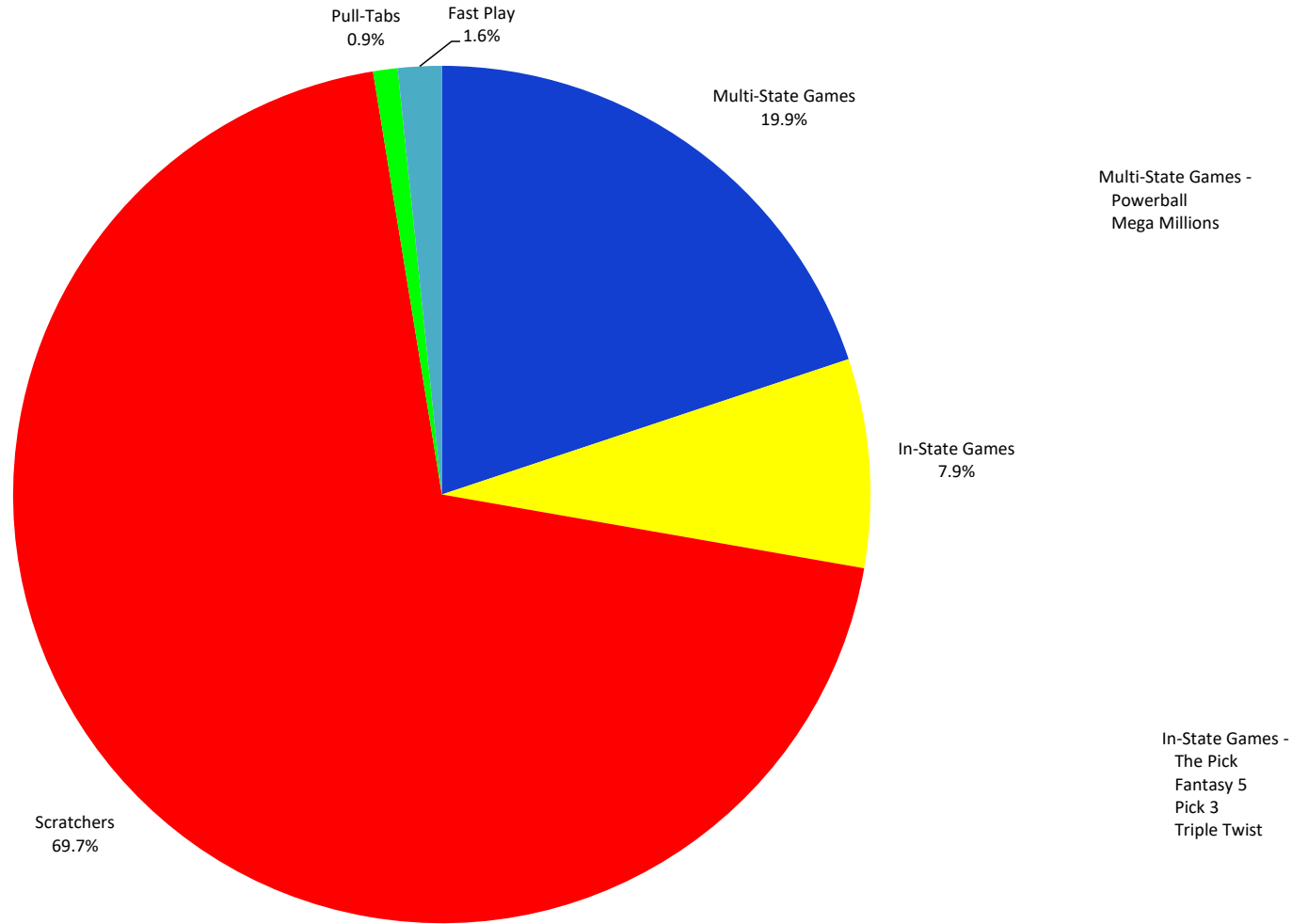
\*February 2019 data includes an additional 10 days of sales.

**ARIZONA LOTTERY**  
**QUARTERLY SALES BY PRODUCT**  
**Fiscal Year 2019 - July 2018 through June 2019**

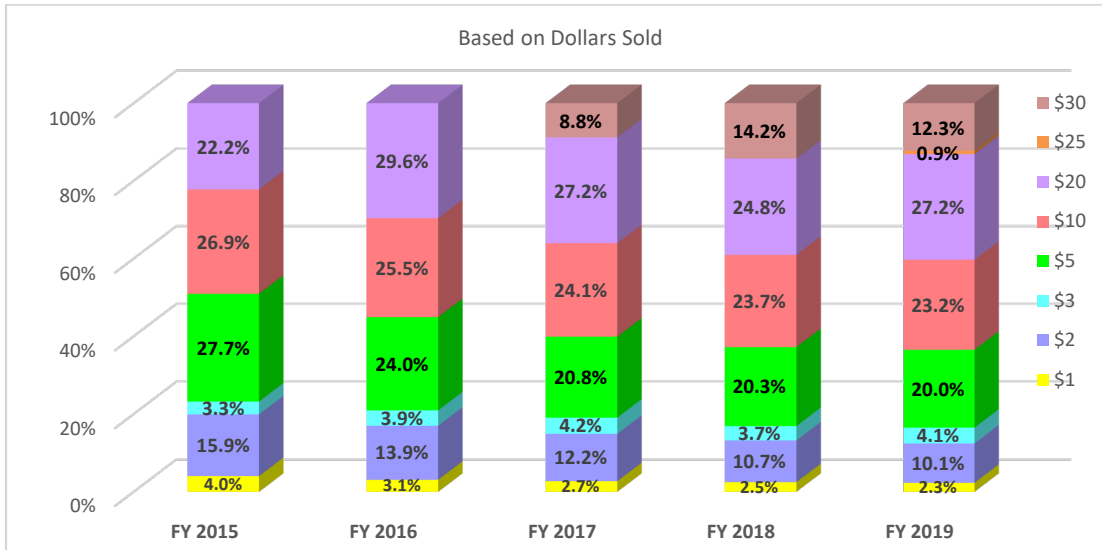
Month	Powerball	Mega Millions	The Pick	Fantasy 5	Pick 3	Triple Twist	Total Draw Games	Fast Play	Scratchers	Charitable Pull-Tabs	Non-Charitable Pull-Tabs	Total Instant Games	Total	Market Share
July	\$6,181,961	\$9,526,071	\$3,965,825	\$2,541,346	\$920,645		\$23,135,848	\$1,294,075	\$58,861,119	\$548,340	\$127,440	\$59,536,899	\$83,966,822	7.8%
August	\$6,355,053	\$3,982,041	\$4,068,959	\$1,780,073	\$951,926		\$17,138,052	\$1,227,199	\$57,780,629	\$544,836	\$187,920	\$58,513,385	\$76,878,636	7.1%
September	\$6,218,921	\$5,639,620	\$2,138,003	\$1,581,549	\$914,416		\$16,492,509	\$1,236,349	\$56,033,162	\$506,766	\$145,800	\$56,685,728	\$74,414,586	6.9%
<b>1st Quarter</b>	<b>\$18,755,935</b>	<b>\$19,147,732</b>	<b>\$10,172,787</b>	<b>\$5,902,968</b>	<b>\$2,786,987</b>		<b>\$56,766,409</b>	<b>\$3,757,623</b>	<b>\$172,674,910</b>	<b>\$1,599,942</b>	<b>\$461,160</b>	<b>\$174,736,012</b>	<b>\$235,260,044</b>	<b>21.8%</b>
October	\$23,043,283	\$39,769,954	\$3,050,407	\$1,585,835	\$1,029,883		\$68,479,362	\$1,385,682	\$57,649,986	\$578,478	\$174,960	\$58,403,424	\$126,882,786	11.8%
November	\$6,241,754	\$4,798,835	\$2,860,276	\$1,559,410	\$1,015,735		\$16,476,010	\$1,385,570	\$57,366,280	\$671,640	\$164,850	\$58,202,770	\$74,678,780	6.9%
December	\$7,626,696	\$7,761,914	\$3,277,416	\$1,752,217	\$1,073,754	\$267,194	\$21,759,191	\$1,333,791	\$62,767,564	\$636,204	\$171,720	\$63,575,488	\$85,334,679	7.9%
<b>2nd Quarter</b>	<b>\$36,911,733</b>	<b>\$52,330,703</b>	<b>\$9,188,099</b>	<b>\$4,897,462</b>	<b>\$3,119,372</b>	<b>\$267,194</b>	<b>\$106,714,563</b>	<b>\$4,105,043</b>	<b>\$177,783,830</b>	<b>\$1,886,322</b>	<b>\$511,530</b>	<b>\$180,181,682</b>	<b>\$291,001,288</b>	<b>27.0%</b>
January	\$6,392,044	\$4,837,001	\$3,561,173	\$1,831,830	\$1,090,325	\$1,011,224	\$18,723,597	\$1,702,211	\$66,267,753	\$769,338	\$281,880	\$67,318,971	\$86,042,568	8.0%
February	\$7,657,782	\$4,644,659	\$3,603,057	\$1,118,180	\$1,001,939	\$1,455,614	\$19,481,231	\$1,583,357	\$63,507,082	\$648,630	\$237,600	\$64,393,312	\$85,457,900	7.9%
March	\$20,826,393	\$4,560,574	\$4,779,067	\$1,604,017	\$1,148,761	\$1,930,998	\$34,849,810	\$1,712,786	\$72,517,506	\$698,286	\$308,880	\$73,524,672	\$110,087,268	10.2%
<b>3rd Quarter</b>	<b>\$34,876,219</b>	<b>\$14,042,234</b>	<b>\$11,943,297</b>	<b>\$4,554,027</b>	<b>\$3,241,025</b>	<b>\$4,397,836</b>	<b>\$73,054,638</b>	<b>\$4,998,354</b>	<b>\$202,292,341</b>	<b>\$2,116,254</b>	<b>\$828,360</b>	<b>\$205,236,955</b>	<b>\$283,289,947</b>	<b>26.3%</b>
April	\$6,231,363	\$4,910,377	\$4,788,457	\$1,409,865	\$1,052,629	\$1,644,024	\$20,036,715	\$1,660,210	\$67,373,743	\$659,772	\$247,320	\$68,280,835	\$89,977,760	8.4%
May	\$8,279,562	\$7,096,471	\$5,252,098	\$1,684,156	\$1,068,952	\$1,375,914	\$24,757,153	\$1,632,617	\$68,310,717	\$588,756	\$267,840	\$69,167,313	\$95,557,083	8.9%
June	\$6,129,814	\$5,424,367	\$2,713,845	\$1,294,733	\$1,007,057	\$945,286	\$17,515,102	\$1,599,565	\$61,842,782	\$536,928	\$209,520	\$62,589,230	\$81,703,897	7.6%
<b>4th Quarter</b>	<b>\$20,640,739</b>	<b>\$17,431,215</b>	<b>\$12,754,400</b>	<b>\$4,388,754</b>	<b>\$3,128,638</b>	<b>\$3,965,224</b>	<b>\$62,308,970</b>	<b>\$4,892,392</b>	<b>\$197,527,242</b>	<b>\$1,785,456</b>	<b>\$724,680</b>	<b>\$200,037,378</b>	<b>\$267,238,740</b>	<b>24.8%</b>
<b>2019</b>	<b>\$111,184,626</b>	<b>\$102,951,884</b>	<b>\$44,058,583</b>	<b>\$19,743,211</b>	<b>\$12,276,022</b>	<b>\$8,630,254</b>	<b>\$298,844,580</b>	<b>\$17,753,412</b>	<b>\$750,278,323</b>	<b>\$7,387,974</b>	<b>\$2,525,730</b>	<b>\$760,192,027</b>	<b>\$1,076,790,019</b>	
<b>Mkt Share</b>	<b>10.3%</b>	<b>9.6%</b>	<b>4.1%</b>	<b>1.8%</b>	<b>1.1%</b>	<b>0.8%</b>	<b>27.75%</b>	<b>1.65%</b>	<b>69.68%</b>	<b>0.69%</b>	<b>0.23%</b>	<b>70.60%</b>		
2018	\$118,509,867	\$60,900,765	\$40,243,104	\$17,786,257	\$11,710,743		\$253,677,726	\$8,099,976	\$710,886,936	\$7,094,286	\$1,618,920	\$719,600,142	\$981,377,844	
<b>% of Change</b>	<b>-6.2%</b>	<b>69.0%</b>	<b>9.5%</b>	<b>11.0%</b>	<b>4.8%</b>		<b>17.8%</b>		<b>5.5%</b>	<b>4.1%</b>	<b>56.0%</b>	<b>5.6%</b>	<b>9.7%</b>	



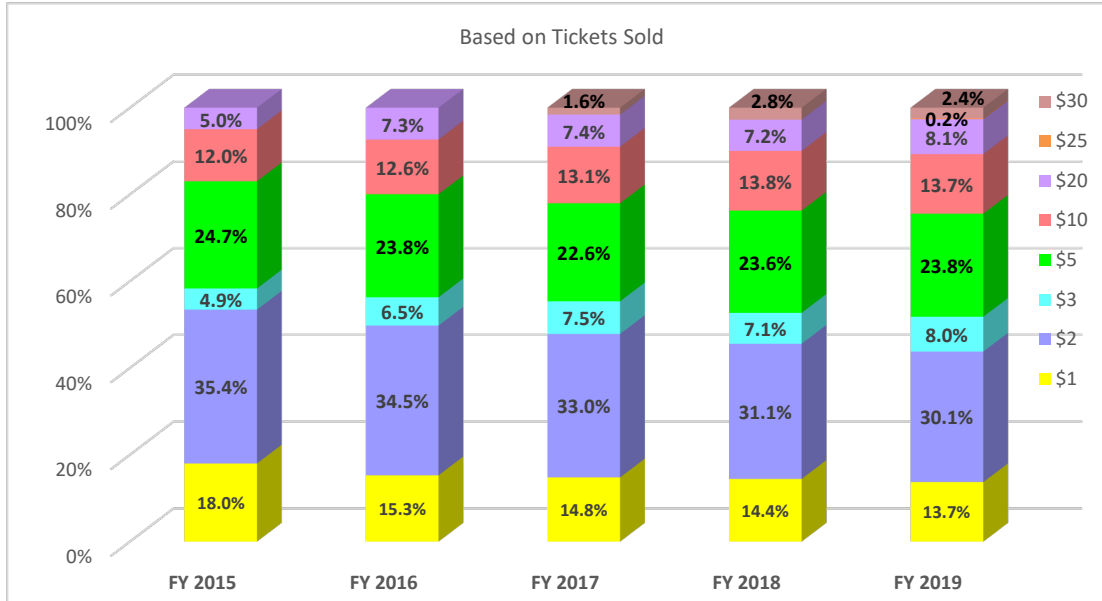
**ARIZONA LOTTERY**  
**QUARTERLY SALES BY PRODUCT**  
*Fiscal Year 2019 - July 2018 through June 2019*



## Arizona Lottery 5-Year Review by Price Point



	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$1	\$21,852,857	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856
\$2	\$86,110,390	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580
\$3	\$17,793,777	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967
\$5	\$150,203,925	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810
\$10	\$145,784,060	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390
\$20	\$120,285,280	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420
\$25					\$6,504,400
\$30			\$55,673,280	\$101,269,350	\$91,917,900
<b>Total</b>	<b>\$542,030,289</b>	<b>\$590,705,714</b>	<b>\$632,781,377</b>	<b>\$710,886,936</b>	<b>\$750,278,323</b>



	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$1	21,852,857	18,183,806	17,230,930	17,675,313	17,327,856
\$2	43,055,195	41,128,564	38,540,320	38,143,210	38,022,790
\$3	5,931,259	7,774,485	8,782,789	8,734,926	10,138,989
\$5	30,040,785	28,315,735	26,364,618	28,884,781	30,058,962
\$10	14,578,406	15,039,869	15,223,175	16,866,241	17,376,339
\$20	6,014,264	8,748,198	8,619,666	8,818,238	10,200,371
\$25					260,176
\$30			1,855,776	3,375,645	3,063,930
<b>Total</b>	<b>121,472,766</b>	<b>119,190,657</b>	<b>116,617,274</b>	<b>122,498,354</b>	<b>126,449,413</b>

# Interoffice Memorandum

**Date:** August 9, 2019  
**To:** Gregg Edgar, Executive Director  
**From:** Raynie Hosto, Sales Director  
**Subject:** FY 2019 Sales Review

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## Vending Machine Sales (Chart E)

In FY 2019, the total number of vending machines in market increased to 1,210 compared to 951 in FY 2018. Deploying 259 additional vending machines, in stores with high growth potential and new opportunity venues, helped to contribute to a 19% increase in vending sales compared to FY18. Draw sales through the vending machines increased 110.7% compared to the prior year. This increase was due in part to the high jackpot sales, the introduction of the debit purchase option for players, and the addition of new Fast Play games. Sales from vending represented 31.8% of total sales in FY19.

Throughout most of FY 2019 the out of stocks percentage increased with the introduction of the touchscreen vending machines. The FY19 out of stock percentage was 4.55% an increase compared to 3.74% in FY18. During the fourth quarter of FY 2019 solutions were implemented to increase the visibility of out-of-stock conditions for retailers including a flashing red light in the area where tickets are dispensed to players as soon as a bin is empty. Members of the sales team will continue to educate retailers and corporate accounts on this visual reminder that machines are out of stock in a continuing effort to reduce out of stocks. The team also will be working with vendor partners on additional solutions to reduce out of stocks in vending machines.

## Corporate Account Review (Chart F)

- Major retail chains represent 54.7% of all lottery accounts. Convenience stores represent 40.6% of total accounts while chain food stores represent 14.2%.
- Major retail chains comprise 75.5% of the total market share with convenience stores and food stores accounting for 49.9% and 25.5% respectively.
- Fry's food stores continue to lead per store sales with a record-breaking average of \$1,011,789. QuikTrip, Safeway, and Albertsons follow with per store average sales of \$864,972, \$664,350 and \$653,376 respectively.
- Circle K accounts for the largest portion of the sales market share at 25.9% followed by Fry's at 11.6%. Circle K has 619 stores while Fry's has 122.

## Business Classification Review (Charts G and H)

Collectively, chain and independent convenience stores account for 70.0% of total Lottery accounts a slight decrease from 72.5% in FY18. All convenience stores account for 68.0% of the market share in sales, which is consistent with the previous fiscal year. Chain and independent

grocery stores account for 15.9% of total Lottery accounts and 26.6% market share in sales. The straight 6.5% commissions earned by lottery retailers through Fiscal Year 2019 total \$69,346,999 with the amount including incentives reaching \$72M.

#### **County Review (Charts I and J)**

- The overall estimated per capita weekly sales for FY19 was \$4.00, an increase from FY18 when the per capita weekly sales were \$2.74. All counties posted an increase in per capita over the same period last year.
- Maricopa and Pima counties held a market share of 76.2% of total sales. The remaining counties represent 23.8% of sales.
- Mohave County posted the highest weekly per capita sales at \$5.39, followed by La Paz at \$5.11, and Greenlee at \$4.69.

**Arizona Lottery  
Vending Machine**

	<b>FY 2019</b>						
	<b># of Units (Qtly Avg)</b>	<b>Per Unit Game Capacity</b>	<b>Instant Sales</b>	<b>Draw Sales</b>	<b>Total Sales</b>	<b>Per Unit Average</b>	<b>Average Out-of-Stock Percentage</b>
	<b>1st Quarter Total % of Lottery Sales</b>	979	24	\$ 65,886,308	\$ 6,153,254	\$ 72,039,562	\$ 73,584.84
			38.2%	10.2%	30.9%		
<b>Gemini 2nd Quarter Total % of Lottery Sales</b>	1089	24	\$ 70,229,206	\$ 12,902,918	\$ 83,132,124	\$ 76,338.04	5.10%
			39.5%	11.6%	28.8%		
<b>Gemini 3rd Quarter Total % of Lottery Sales</b>	1186	24	\$ 78,790,504	\$ 12,097,869	\$ 90,888,373	\$ 60,741.62	5.07%
			38.9%	15.5%	32.4%		
<b>Gemini 4th Quarter Total % of Lottery Sales</b>	1210	24	\$ 82,098,894	\$ 11,518,335	\$ 93,617,229	\$ 68,704.23	4.60%
			41.6%	17.1%	35.4%		
<b>Total Gemini</b>			\$ 297,004,912	\$ 42,672,376	\$ 339,677,288		
<b>Total Fiscal Year % of Total Sales</b>			\$ 297,004,912	\$ 42,672,376	\$ 339,677,288		4.55%
			39.6%	13.5%	31.8%		

Chart E

**ARIZONA LOTTERY**  
**CORPORATE ACCOUNT REVIEW**  
*Fiscal Year 2019*  
*July 2018 through June 2019*

	<i>Total Draw Games</i>						<i>Scratchers</i>			<i>All Products Combined</i>			<i>Commission</i>
	<i># of Accts</i>	<i>% of Accts</i>	<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	<i>Commission Earned To Date</i>	
<i>4 Sons</i>	9290/9814	21	0.7%	\$3,341,084	1.1%	\$159,099	\$6,103,041	0.8%	\$290,621.00	\$9,444,125	0.9%	\$449,720	\$613,868
<i>7-Eleven</i>	8706	61	2.0%	\$4,806,433	1.5%	\$78,794	\$16,648,257	2.2%	\$272,922	\$21,454,690	2.0%	\$351,716	\$1,394,555
<i>Carioca</i>	8821	39	1.3%	\$2,989,794	0.9%	\$76,661	\$5,962,401	0.8%	\$152,882	\$8,952,195	0.8%	\$229,543	\$581,893
<i>Circle K</i>	8037	619	20.0%	\$70,461,971	22.3%	\$113,832	\$206,389,916	27.5%	\$333,425	\$276,851,887	25.9%	\$447,257	\$17,995,373
<i>Cobblestone</i>		11	0.4%	\$1,235,404	0.4%	\$112,309	\$1,779,946	0.2%	\$161,813	\$3,015,350	0.3%	\$274,123	\$195,998
<i>Fry's Gas</i>	8052	93	3.0%	\$4,395,988	1.4%	\$47,269	\$12,448,169	0.2%	\$19,139	\$16,844,157	1.6%	\$181,120	\$1,094,870
<i>Giant</i>	8243	82	2.6%	\$6,427,802	2.0%	\$78,388	\$18,734,396	2.5%	\$228,468	\$25,162,198	2.4%	\$306,856	\$1,635,543
<i>Good 2 Go</i>	8024	17	0.5%	\$1,060,839	0.3%	\$62,402	\$2,585,662	0.3%	\$152,098	\$3,646,501	0.3%	\$214,500	\$237,023
<i>Jackson's Food Stores</i>	8021	12	0.4%	\$2,485,941	0.8%	\$207,162	\$3,163,521	0.4%	\$263,627	\$5,649,462	0.5%	\$470,789	\$367,215
<i>Loves</i>	9800	12	0.4%	\$1,001,084	0.3%	\$83,424	\$1,902,551	0.3%	\$158,545.92	\$2,903,635	0.3%	\$241,970	\$188,736
<i>Maverik</i>	9905	22	0.7%	\$3,066,473	1.0%	\$139,385	\$5,793,034	0.8%	\$263,320	\$8,859,507	0.8%	\$402,705	\$575,868
<i>Pilot Travel Centers</i>	9926	15	0.5%	\$1,166,298	0.4%	\$77,753	\$2,549,747	0.3%	\$169,983	\$3,716,045	0.3%	\$247,736	\$241,543
<i>Quik Mart</i>	8375	24	0.8%	\$2,127,186	0.7%	\$88,633	\$6,393,894	0.9%	\$266,412	\$8,521,080	0.8%	\$355,045	\$553,870
<i>QuikTrip</i>	9849	115	3.7%	\$28,696,535	9.1%	\$249,535	\$70,775,295	9.4%	\$615,437	\$99,471,830	9.3%	\$864,972	\$6,465,669
<i>Quik-Way Retail</i>	8028	24	0.8%	\$3,844,274	1.2%	\$160,178	\$9,619,232	1.3%	\$400,801	\$13,463,506	1.3%	\$560,979	\$875,128
<i>Safeway Gas</i>	8128	32	1.0%	\$2,218,351	0.7%	\$69,323.47	\$4,740,333	0.6%	\$148,135	\$6,958,684	0.7%	\$217,459	\$452,314
<i>Shay's</i>	8938	21	0.7%	\$1,830,564	0.6%	\$87,170	\$4,810,512	0.6%	\$229,072	\$6,641,076	0.6%	\$316,242	\$431,670
<i>Superpumper</i>	8025	13	0.4%	\$2,390,287	0.8%	\$183,868	\$4,348,723	0.6%	\$334,517	\$6,739,010	0.6%	\$518,385	\$438,036
<i>Terribles</i>	8004	8	0.3%	\$632,964	0.2%	\$79,120.50	\$1,376,650	0.2%	\$172,081	\$2,009,614	0.2%	\$251,202	\$130,625
<i>Woody's</i>	8607	15	0.5%	\$662,337	0.2%	\$44,156	\$1,768,499	0.2%	\$117,900	\$2,430,836	0.2%	\$162,056	\$158,004
<b><i>Convenience Total</i></b>		<b>1256</b>	<b>40.6%</b>	<b>\$144,841,609</b>	<b>45.7%</b>	<b>\$115,320</b>	<b>\$387,893,779</b>	<b>51.7%</b>	<b>\$308,833</b>	<b>\$532,735,388</b>	<b>49.9%</b>	<b>\$424,152</b>	<b>\$34,627,800</b>
<i>Albertson's</i>	8027	33	1.1%	\$7,868,237	2.5%	\$238,431.42	\$13,693,186	1.8%	\$414,945	\$21,561,423	2.0%	\$653,376	\$1,401,492
<i>Bashas'</i>	8011	48	1.5%	\$9,719,407	3.1%	\$202,488	\$15,954,902	2.1%	\$332,394	\$25,674,309	2.4%	\$534,881	\$1,668,830
<i>El Super</i>	8030	6	0.2%	\$84,232	0.0%	\$14,039	\$749,836	0.1%	\$124,972.67	\$834,068	0.1%	\$139,011	\$54,214
<i>Food City</i>		46	1.5%	\$1,690,359	0.5%	\$36,747	\$8,323,501	1.1%	\$180,945.67	\$10,013,860	0.9%	\$217,693	\$650,901
<i>Fry's</i>	8052	122	3.9%	\$46,599,928	14.7%	\$381,967	\$76,838,316	10.2%	\$629,822	\$123,438,244	11.6%	\$1,011,789	\$8,023,486
<i>Los Altos Ranch Market</i>	8026	7	0.2%	\$305,593	0.1%	\$43,656	\$2,095,977	0.3%	\$299,425	\$2,401,570	0.2%	\$343,081	\$156,102
<i>Safeway</i>	8128	110	3.6%	\$29,550,720	9.3%	\$268,643	\$43,527,801	5.8%	\$395,707	\$73,078,521	6.8%	\$664,350	\$4,750,104
<i>Walmart</i>	8022	67	2.2%	\$4,358,594	1.4%	\$65,054	\$11,070,227	1.5%	\$165,227	\$15,428,821	1.4%	\$230,281	\$1,002,873
<b><i>Food Store Total</i></b>		<b>439</b>	<b>14.2%</b>	<b>\$100,177,070</b>	<b>31.6%</b>	<b>\$228,194</b>	<b>\$172,253,746</b>	<b>23.0%</b>	<b>\$392,378</b>	<b>\$272,430,816</b>	<b>25.5%</b>	<b>\$620,571</b>	<b>\$17,708,003</b>
<b><i>Major Chains</i></b>		<b>1695</b>	<b>54.7%</b>	<b>\$245,018,679</b>	<b>77.4%</b>	<b>\$144,554</b>	<b>\$560,147,525</b>	<b>74.7%</b>	<b>\$330,471</b>	<b>\$805,166,204</b>	<b>75.5%</b>	<b>\$475,024</b>	<b>\$52,335,803</b>
<b><i>All Stores</i></b>		<b>3097</b>		<b>\$316,597,992</b>		<b>\$102,227</b>	<b>\$750,278,923</b>		<b>\$242,260</b>	<b>\$1,066,876,915</b>		<b>\$344,487</b>	<b>\$69,346,999</b>

**ARIZONA LOTTERY**  
**BUSINESS CODE REVIEW**  
*Fiscal Year 2019*  
*July 2018 through June 2019*

<i>Business Classification</i>	<i>Business Code</i>	<i># of Accts</i>	<i>% of Accts</i>	<i>Total Draw Games</i>			<i>Scratchers</i>			<i>All Products Combined</i>			<i>Commission Earned To Date</i>
				<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	<i>Sales</i>	<i>Market Share</i>	<i>Per Store Average</i>	
Shopping Malls	01	4	0.1%	\$137,090	0.0%	\$34,273	\$145,194	0.0%	\$36,299	\$282,284	0.0%	\$70,571	\$18,348
Smoke/Gift Shops - Newstands	02	96	3.1%	\$1,873,319	0.6%	\$19,514	\$6,754,545	0.9%	\$70,360	\$8,627,864	0.8%	\$89,874	\$560,811
Chain Supermarkets	03	442	14.3%	\$101,308,314	32.0%	\$229,204	\$173,906,793	23.2%	\$393,454	\$275,215,107	25.8%	\$622,659	\$17,888,982
Independent Supermarkets	04	50	1.6%	\$2,318,570	0.7%	\$46,371	\$6,530,253	0.9%	\$130,605	\$8,848,823	0.8%	\$176,976	\$575,173
Chain Convenience Stores	05	1099	35.5%	\$135,460,052	42.8%	\$123,258	\$365,694,094	48.7%	\$332,752	\$501,154,146	47.0%	\$456,009	\$32,575,019
Independent Convenience	06	914	29.5%	\$52,343,538	16.5%	\$57,269	\$142,984,041	19.1%	\$156,438	\$195,327,579	18.3%	\$213,706	\$12,696,293
Liquor Stores	07	102	3.3%	\$2,038,946	0.6%	\$19,990	\$10,858,407	1.4%	\$106,455	\$12,897,353	1.2%	\$126,445	\$838,328
Drug Stores	08	5	0.2%	\$27,756	0.0%	\$5,551	\$89,188	0.0%	\$17,838	\$116,944	0.0%	\$23,389	\$7,601
Auto/Gas Stations	09	154	5.0%	\$8,174,913	2.6%	\$53,084	\$21,326,326	2.8%	\$138,483	\$29,501,239	2.8%	\$191,566	\$1,917,581
Truck Service Centers	10	45	1.5%	\$3,553,544	1.1%	\$78,968	\$7,065,434	0.9%	\$157,010	\$10,618,978	1.0%	\$235,977	\$690,234
Bars/Restaurants	11	65	2.1%	\$3,987,230	1.3%	\$61,342	\$4,903,980	0.7%	\$75,446	\$8,891,210	0.8%	\$136,788	\$577,929
Spec Non-Grocery	12	89	2.9%	\$3,770,592	1.2%	\$42,366	\$5,462,956	0.7%	\$61,382	\$9,233,548	0.9%	\$103,748	\$600,181
Bowling Centers	14	4	0.1%	\$79,739	0.0%	\$19,935	\$278,422	0.0%	\$69,606	\$358,161	0.0%	\$89,540	\$23,280
Mass Merchandise	16	2	0.1%	\$28,903	0.0%	\$14,452	\$147,273	0.0%	\$73,637	\$176,176	0.0%	\$88,088	\$11,451
In-House & Promotional	99	23	0.7%	\$1,495,486	0.5%	\$65,021	\$4,132,017	0.6%	\$179,653	\$5,627,503	0.5%	\$244,674	\$365,788
<b>Total</b>		<b>3094</b>	<b>100%</b>	<b>\$316,597,992</b>	<b>100%</b>	<b>\$102,326</b>	<b>\$750,278,923</b>	<b>100%</b>	<b>\$242,495</b>	<b>\$1,066,876,915</b>	<b>100%</b>	<b>\$344,821</b>	<b>\$69,346,999</b>

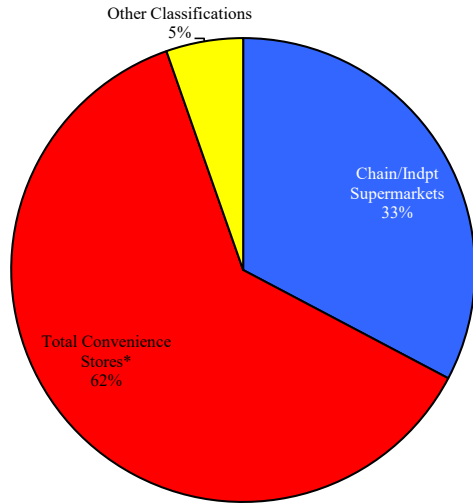
Summary Recap

Chain/Indpt Supermarkets	492	15.9%	\$103,626,884	32.7%	\$210,624	\$180,437,046	24.0%	\$366,742	\$284,063,930	26.6%	\$577,366	\$18,464,155
Total Convenience Stores*	2,167	70.0%	\$195,978,503	61.9%	\$90,438	\$530,004,461	70.6%	\$244,580	\$725,982,964	68.0%	\$335,018	\$47,188,893
Other Classifications	435	14.1%	\$16,992,605	5.4%	\$39,063	\$39,837,416	5.3%	\$91,580	\$56,830,021	5.3%	\$130,644	\$3,693,951
<b>Total All Classifications</b>	<b>3,094</b>	<b>100%</b>	<b>\$316,597,992</b>	<b>100%</b>	<b>\$102,326</b>	<b>\$750,278,923</b>	<b>100%</b>	<b>\$242,495</b>	<b>\$1,066,876,915</b>	<b>100%</b>	<b>\$344,821</b>	<b>\$69,346,999</b>

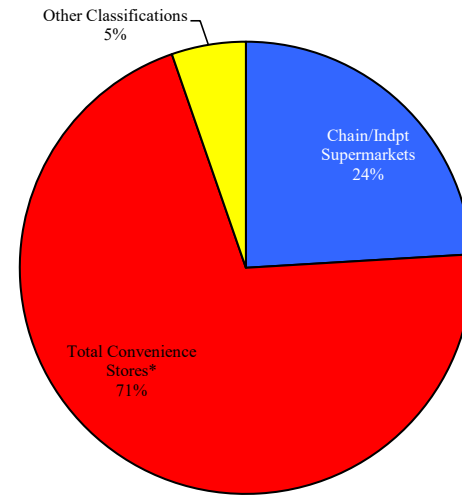
\*Includes chain/independent convenience stores and stores whose business is primarily gas with convenience

**ARIZONA LOTTERY**  
**BUSINESS CODE REVIEW**  
**Fiscal Year 2019**  
**July 2018 through June 2019**

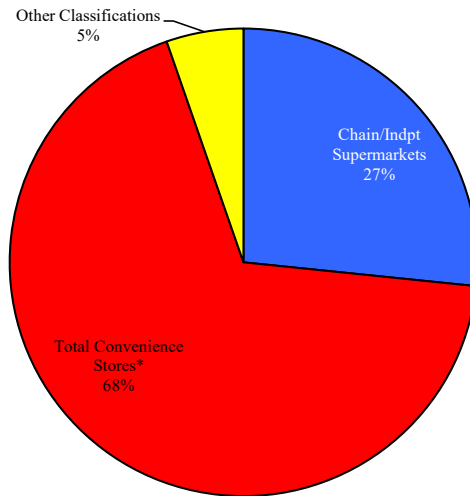
**Draw Game Sales**



**Scratchers Sales**



**All Products Combined**





**ARIZONA LOTTERY**  
**COUNTY SALES REVIEW**  
*Fiscal Year 2019*  
**July 2018 through June 2019**

County	Code	# of Accts		Total Draw Games			Scratchers			All Products Combined			x Estimate Population	Estimated Per Capita Wkly Sales
			% of Accts	Sales	Market Share	Per Store Average	Sales	Market Share	Per Store Average	Sales	Market Share	Per Store Average		
Apache	1	13	0.4%	\$510,688	0.2%	\$39,284	\$1,463,617	0.2%	\$112,586	\$1,974,305	0.2%	\$151,870	72,131	\$0.53
Cochise	2	74	2.4%	\$5,831,524	1.8%	\$78,804	\$18,435,561	2.5%	\$249,129	\$24,267,085	2.3%	\$327,934	128,343	\$3.64
Coconino	3	105	3.4%	\$5,982,818	1.9%	\$56,979	\$13,452,681	1.8%	\$128,121	\$19,435,499	1.8%	\$185,100	142,560	\$2.62
Gila	4	42	1.4%	\$2,452,167	0.8%	\$58,385	\$7,295,838	1.0%	\$173,710	\$9,748,005	0.9%	\$232,095	54,333	\$3.45
Graham	5	22	0.7%	\$954,037	0.3%	\$43,365	\$5,263,282	0.7%	\$239,240	\$6,217,319	0.6%	\$282,605	38,303	\$3.12
Greenlee	6	7	0.2%	\$373,699	0.1%	\$53,386	\$2,190,754	0.3%	\$312,965	\$2,564,453	0.2%	\$366,350	10,433	\$4.73
La Paz	15	33	1.1%	\$1,685,368	0.5%	\$51,072	\$3,930,685	0.5%	\$119,112	\$5,616,053	0.5%	\$170,183	21,247	\$5.08
Maricopa	7	1766	57.1%	\$196,035,969	61.9%	\$111,006	\$483,824,076	64.5%	\$273,966.07	\$679,860,045	63.7%	\$384,972	4,137,076	\$3.16
Mohave	8	153	4.9%	\$27,012,960	8.5%	\$176,555	\$29,577,566	3.9%	\$193,317	\$56,590,526	5.3%	\$369,873	205,764	\$5.29
Navajo	9	53	1.7%	\$3,192,282	1.0%	\$60,232	\$8,850,887	1.2%	\$166,998	\$12,043,169	1.1%	\$227,230	110,413	\$2.10
Pima	10	416	13.4%	\$39,060,358	12.3%	\$93,895	\$93,876,023	12.5%	\$225,664	\$132,936,381	12.5%	\$319,559	1,013,103	\$2.52
Pinal	11	146	4.7%	\$14,220,672	4.5%	\$97,402	\$38,533,056	5.1%	\$263,925	\$52,753,728	4.9%	\$361,327	413,312	\$2.45
Santa Cruz	12	20	0.6%	\$2,320,567	0.7%	\$116,028	\$3,574,169	0.5%	\$178,708	\$5,894,736	0.6%	\$294,737	50,581	\$2.24
Yavapai	13	129	4.2%	\$11,073,682	3.5%	\$85,842	\$24,494,096	3.3%	\$189,877	\$35,567,778	3.3%	\$275,719	220,189	\$3.11
Yuma	14	114	3.7%	\$5,891,201	1.9%	\$51,677	\$15,516,632	2.1%	\$136,111	\$21,407,833	2.0%	\$187,788	217,730	\$1.89
<b>Total</b>		<b>3093</b>	<b>100%</b>	<b>\$316,597,992</b>	<b>100%</b>	<b>\$102,360</b>	<b>\$750,278,923</b>	<b>100%</b>	<b>\$242,573</b>	<b>\$1,066,876,915</b>	<b>100%</b>	<b>\$344,933</b>	<b>6,835,518</b>	<b>\$4.00</b>

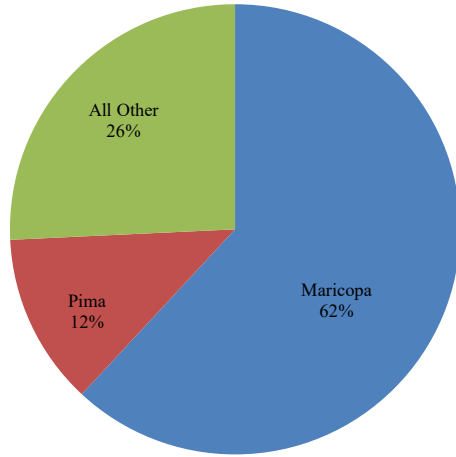
Summary Recap

Maricopa and Pima Counties	2182	70.5%	\$235,096,327	74.3%	\$107,744	\$577,700,099	77.0%	\$264,757	\$812,796,426	76.2%	\$372,501	\$5,150,179	\$3.03
All Other Counties	911	29.5%	\$81,501,665	25.7%	\$89,464	\$172,578,824	23.0%	\$189,439	\$254,080,489	23.8%	\$278,903	\$1,685,339	\$2.90

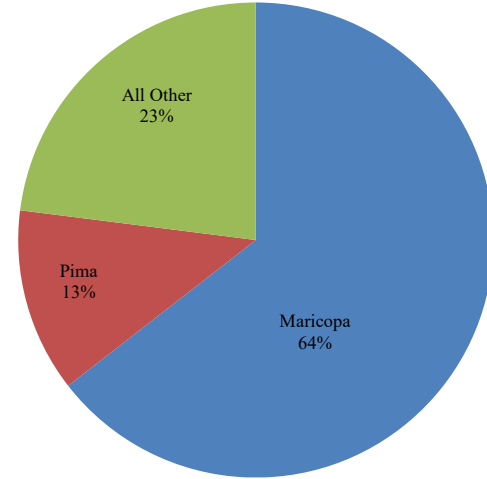
**ARIZONA LOTTERY**  
**COUNTY SALES REVIEW**

*Fiscal Year 2019*  
*July 2018 through June 2019*

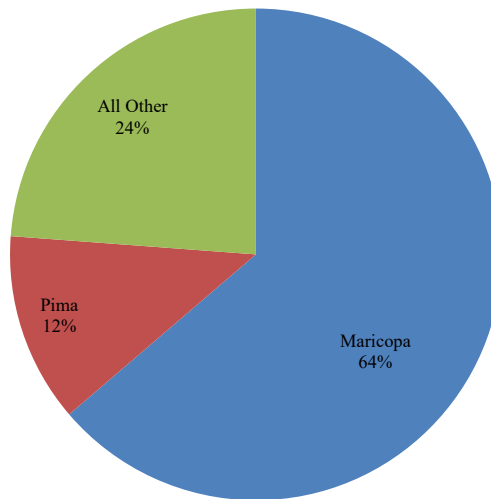
**Draw Game Sales**



**Scratchers Sales**



**All Products Combined**



**New Business Item #1**  
Instant Scratch Game Profiles  
Report to Arizona Lottery Commission  
August 23, 2019

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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 are new instant scratch game profiles: *Quick Win Bingo* #1234, *Crossword Celebration* #1247, *The Cash Wheel* #1248, *One Word Crossword* #1249, *5X the Cash* #1251, *10X the Cash* #1252, *20X the Cash* #1253, and *50X the Cash* #1254.

**Quick Win Bingo #1234.** This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 6 million tickets.

**Crossword Celebration #1247.** This \$10 game has a top prize of \$100,000 and will be printed at a quantity of approximately 4.4 million tickets.

**The Cash Wheel #1248.** This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 2.4 million tickets.

**One Word Crossword #1249.** This \$3 game has a top prize of \$20,000 and will be printed at a quantity of approximately 4.9 million tickets.

**5X the Cash #1251.** This \$1 game has a top prize of \$5,000 and will be printed at a quantity of approximately 3.1 million tickets.

**10X the Cash #1252.** This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 2.6 million tickets.

**20X the Cash #1253.** This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 2.6 million tickets.

**50X the Cash #1254.** This \$10 game has a top prize of \$100,000 and will be printed at a quantity of approximately 2 million tickets.

Attachments (Commissioners only)

**New Business Item #2**  
Fast Play Game Profile  
Report to Arizona Lottery Commission  
August 23, 2019

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

**NEW GAME PROFILE**

Attached for the Lottery Commission's action is the following Fast Play game profile: *Fro\$ty Fun* #116.

**Fro\$ty Fun #116.** This \$1 Fast Play game has a top prize of \$2,500. A total of 14 numbers are generated and used to identify whether a particular ticket is a winner of one or more instant prizes. A player may win up to seven times on a single ticket.

Attachments (Commissioners only)

**New Business Item #3**  
Holiday Bonus Second Chance Promotion Profile #98  
Report to Arizona Lottery Commission  
August 23, 2019

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This report has been provided to the Lottery Commission regarding the Holiday Bonus Second Chance 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: *Holiday Bonus Promotion Profile #98*.

**Holiday Bonus Promotion Profile #98**

Starting in October 2019, players may enter non-winning tickets from any designated holiday instant scratch and Fast Play games for a chance to win cash prizes from \$5,000 to \$50,000.

Attachments (Commissioners only)