



November 22, 2019  
COMMISSION  
REPORT

## Table of Contents

<b>Notice of Public Meeting and Executive Session</b> .....	3
<b>Commission Minutes of October 18, 2019, Meeting</b> .....	5
<b>Agency Reports</b> .....	8
Director’s Presentation.....	8
New Games Introductions.....	8
<b>New Business Item #1</b> .....	10
Instant Scratch Game Profiles.....	10
<b>New Business Item # 2</b> .....	11
Instant Tab Game Profiles .....	11
<b>New Business Item #3</b> .....	12
Fast Play Game Profile .....	12
<b>New Business Item #4</b> .....	13
Multiplier Mania Second Chance Promotion Profile #97.....	13

**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 **November 22, 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 October 18, 2019, Public Meeting

**Agency Reports**

1. Director's Presentation
2. New Games Introduction

**New Business**

1. Discussion and action on new instant scratch game profiles: *Power 8s* #1260, *100X* #1261, *Lucky Lines* #1263 and *Aces High* #1264.
2. Discussion and Action on new instant tab game profiles: *Lady Liberty* #129, *American Jackpot* #130, *Ruby Red Slots* #1042 and *Gimme More Money* #1043.
3. Discussion and action on new Fast Play game profile: *Piggy Bank Bucks* #118
4. Discussion and action on 2<sup>nd</sup> chance promotion profile: *Multiplier Mania Second Chance Promotion Profile* #97

**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 December 20, 2019, at 10:00 a.m.
2. The open meeting law training will be conducted in this room after adjournment.

**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 14<sup>th</sup> day of November, 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 of October 18, 2019, meeting

**PRESIDING** Chair Jeff Weintraub (telephonic)

**COMMISSIONERS** Julie Katsel (telephonic), Debra Roth (in person), and Trent Crump (in person)

**LOTTERY** Gregg Edgar, Executive Director; Chris Rogers, Deputy Director of Products & Marketing; Sherri Zendri, Deputy Director of Legal Services; Raynie Hosto, Deputy Director of Sales and Customer Service; and Russ Harben, Deputy Director of Operations

Kimberly Siddall, Ivy Gilio, Mary Cimaglio, Roland Tang, Karla Henriksen, Stacey Henderson, Wyeth Hines, Orion Steen

**GUEST** Attorney General Representative: Pamela (Linnins) Peiser  
Scientific Games Representatives: Topper Wilson and Julio Dieppa  
IGT Representatives: Ernie Perez and Serena Arlotta

**PUBLIC** None

**Call to Order**

1. Call for Quorum: Pursuant to the Public Notice dated October 10, 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, with Chair Weintraub and Commissioner Katsel appearing telephonically and Commissioners Roth and Crump appearing in person.

2. Notice: Notice was posted by Luanne Mansanares on October 10, 2019, at 11 a.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 September 20, 2019, Public Meeting. Commissioner Katsel moved; Commissioner Roth seconded. The vote was unanimous with all members voting aye and the motion was carried.

**Agency Reports**

1. Retailer of the Quarter: Mr. Wyeth Hines presented an overview of the Retailer of the Quarter, Safeway, 10926 W. Bell Road, Sun City, Arizona. Mr. Wyeth's presentation is attached for the official minutes.
2. Director's Presentation

**Beneficiary Focus:** Director Edgar presented information and played a short video on the Arizona Lottery beneficiary, Central Arizona Shelter Services. The Director's report is attached for the official minutes

**Financial Report:** Mr. Russ Harben presented financial information involving total sales from instant, Fast Play, and draw games for the past 12 months.

Commissioner Crump inquired about Fast Play and how it is played. Mr. Harben informed the Commission that you can purchase one at the counter or at the vending machine and that the ticket was printed immediately, and you follow the instructions to see if you won. The presentation is attached for the official minutes.

3. Retailer Satisfaction Presentation: Ms. Stacey Henderson provided the results of the retailer satisfaction survey. The survey was available to retailers from July 21<sup>st</sup>, 2019 to August 31<sup>st</sup>, 2019. The presentation is attached for the official minutes
4. Marketing Presentation: Mr. Chris Rogers presented on the Powerball New Year's Rockin Eve Players Club Promotion that ended on September 9<sup>th</sup>. Mr. Rogers also provided an overview on advertising and marketing expenditures. Mr. Roger's presentation is attached for the official minutes
5. 1<sup>st</sup> Quarter Product & Sales Review: No presentation.
6. New Game Introduction: No presentation.

**New Business** – Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant scratch game profiles: *Wild 8s #1256*, *Match 2 Win #1257*, and *Black Pearls #1259*. 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 #1256, #1257, and #1259. Commissioner Crump moved; Commissioner Roth 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** –

1. An open meeting law training will be held at the November 22, 2019, meeting, following the regular meeting.
2. The next Commission meeting will be held November 22, 2019 at 10:00 a.m.

**Adjournment** - Chair Weintraub entertained a motion to adjourn. Commissioner Crump moved; Commissioner Roth 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  
November 22, 2019

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**Director's Presentation**

**New Games Introductions**

The following games were introduced since the last commission meeting: *Super 7-11-21 #1232* and *Hit the Jackpot #1250*.

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 11/7/19</b>
10/8/19	\$20	1191	\$250,000 Crossword	1,762,860	92.1%
10/30/19	\$5	1195	Late Night Crossword	5,037,600	97.3%
11/7/19	\$2	1170	Bingo	5,907,000	94.8%



# **ATTACHMENT A**



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# Dashboard Report November 2019

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**SERVING ARIZONA  
FOR 38 YEARS**

**-17.3%**

vs. Proj (FYTD)

Total Sales (FYTD)  
**\$311,577,701**

**-14.3%**

vs. PYTD

**-45.9%**

vs. Proj (FYTD)

**Draw Sales**

**\$70,285,113** 22.6%  
%Total Sales

vs. PYTD

**-46.1%**

**-2.4%**

vs. Proj (FYTD)

**Instant Sales**

**\$241,292,588** 77.4%  
%Total Sales

vs. PYTD

**3.5%**

**-56.5%**

vs. Proj (FYTD)

**Multi-State**

**\$38,856,410** 55.3%  
%Draw Sales

vs. PYTD

**-61.4%**

**-2.3%**

vs. Proj (FYTD)

**Scratchers Sales**

**\$238,278,542** 88.8%  
%Instant Sales

vs. PYTD

**3.5%**

**-26.7%**

vs. Proj (FYTD)

**In-State**

**\$24,346,819** 34.6%  
%Draw Sales

vs. PYTD

**-0.7%**

**-14.9%**

vs. Proj (FYTD)

**Charitable Pulltab Sales**

**\$2,094,966** 0.9%  
%Instant Sales

vs. PYTD

**-3.8%**

**-3.0%**

vs. Proj (FYTD)

**Fast Play**

**\$7,081,884** 10.1%  
%Draw Sales

vs. PYTD

**37.7%**

**-8.5%**

vs. Proj (FYTD)

**Age Rest. Pulltab Sales**

**\$737,640** 0.3%  
%Instant Sales

vs. PYTD

**18.8%**

Draw Sales : From 7/1/2014 - To 10/31/2019

Fast Play Sales : From 2/11/2018 - To 10/31/2019

Scratcher Sales : From 7/1/2014 - To 10/31/2019

Pulltab Sales : From 7/1/2014 - To 10/31/2019

**-**

vs. Proj (FYTD)

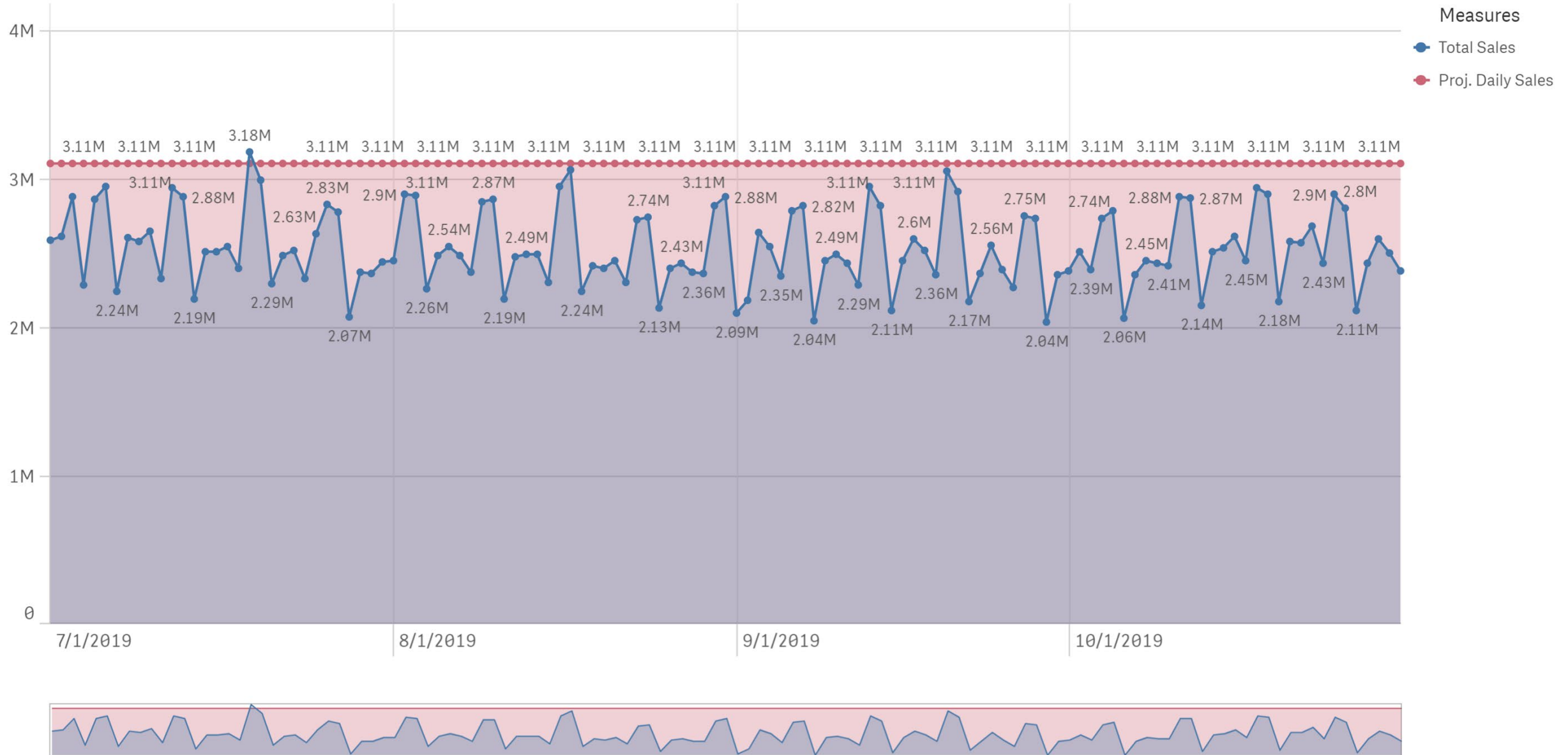
**Other Pulltab Sales**

**\$180,360** 0.1%  
%Instant Sales

vs. PYTD

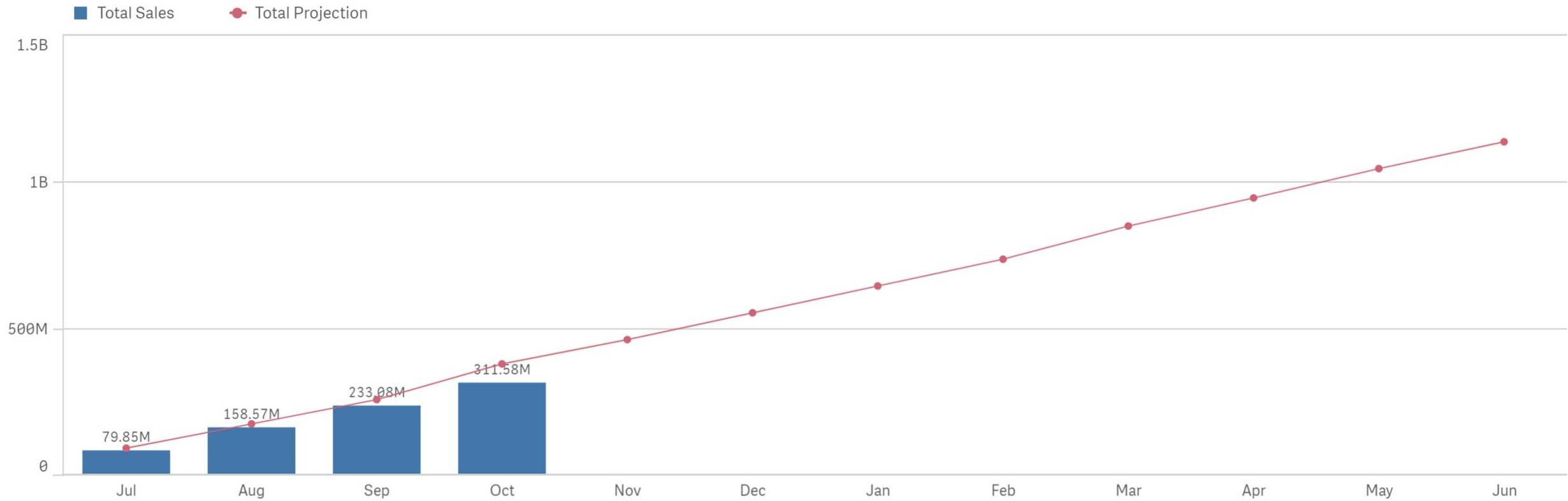
**1092.9%**

# Daily Sales vs Goal



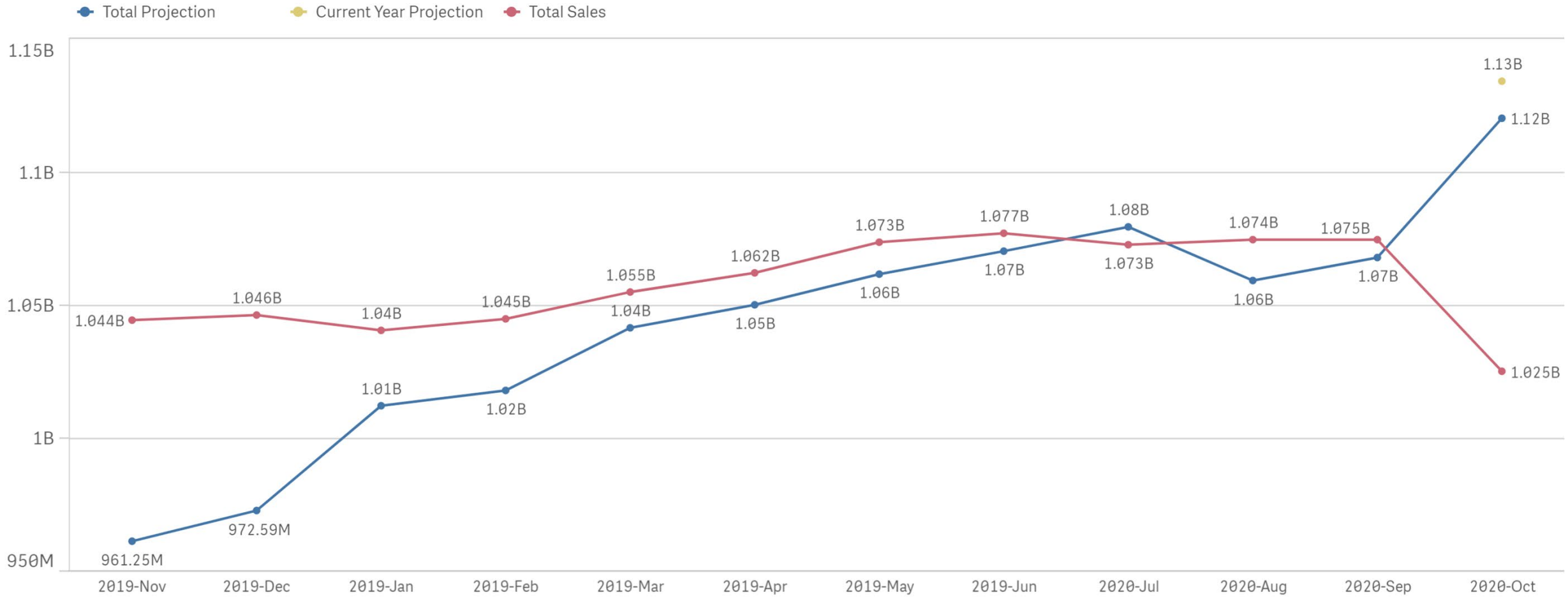
# YTD Sales vs. Projection

## FY 2020 Total Sales vs. Projection



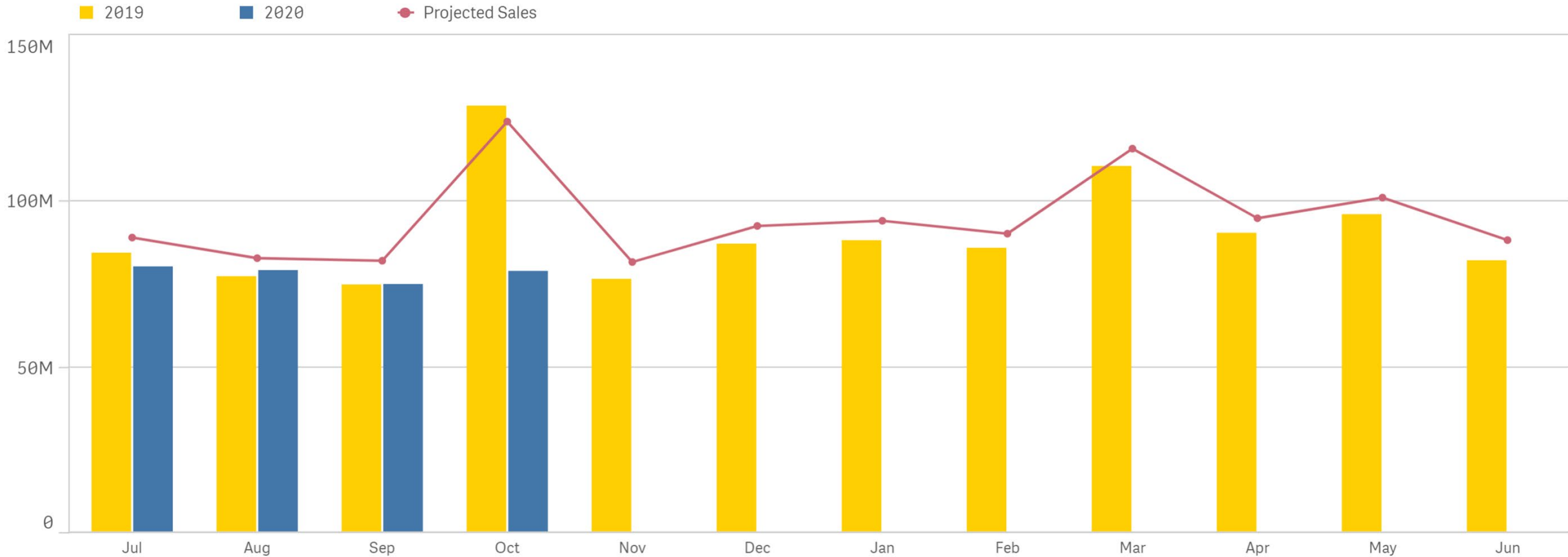
# Rolling 12 Month Total Sales

Rolling 12 Month Sales

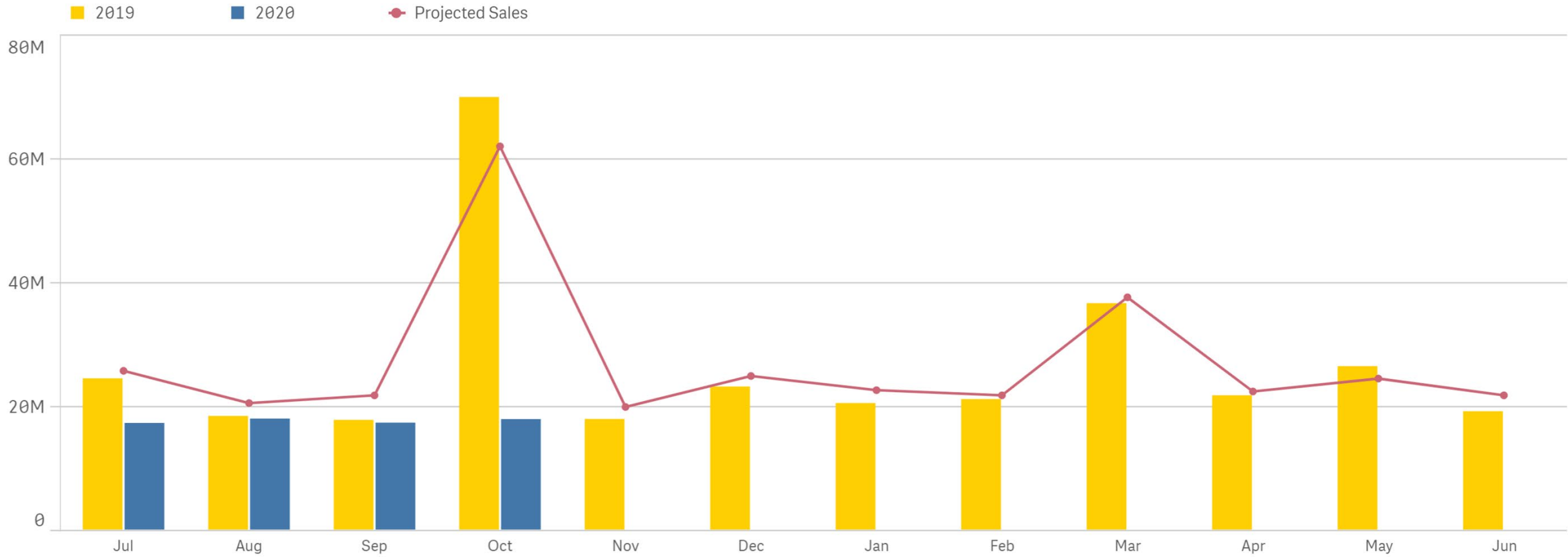




### Total Sales FY 2019 vs. 2020 vs. Projection

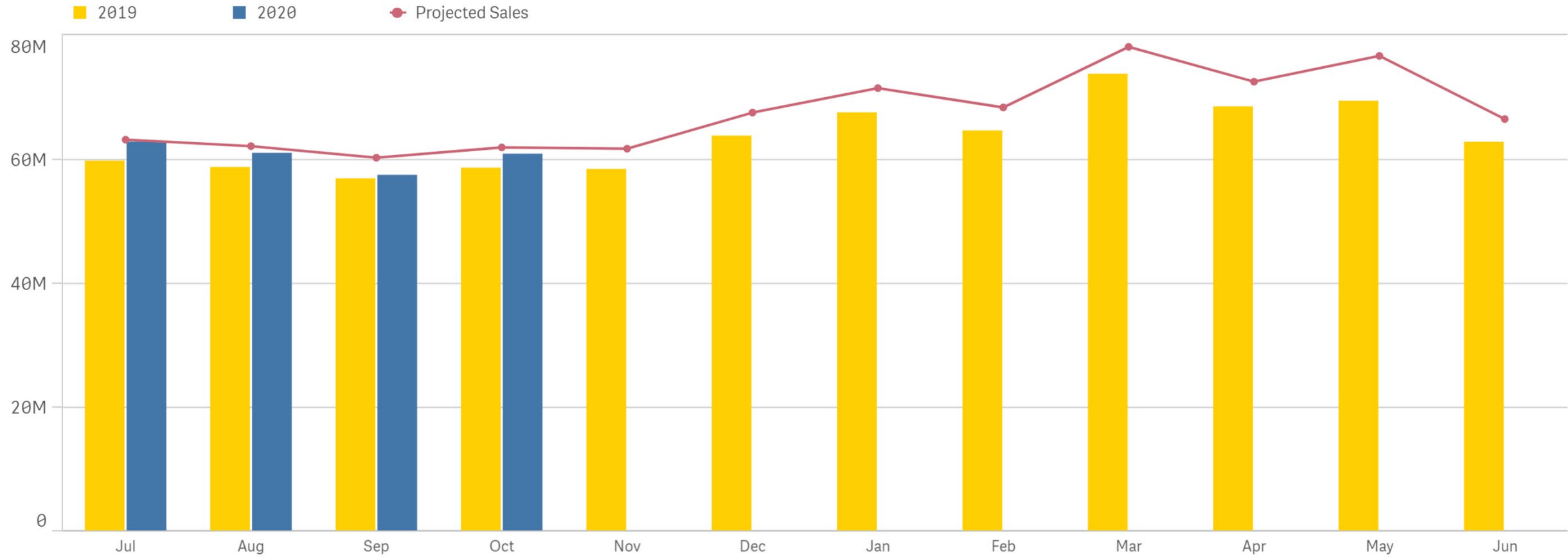


### Draw Sales FY 2019 vs. 2020 vs. Projection



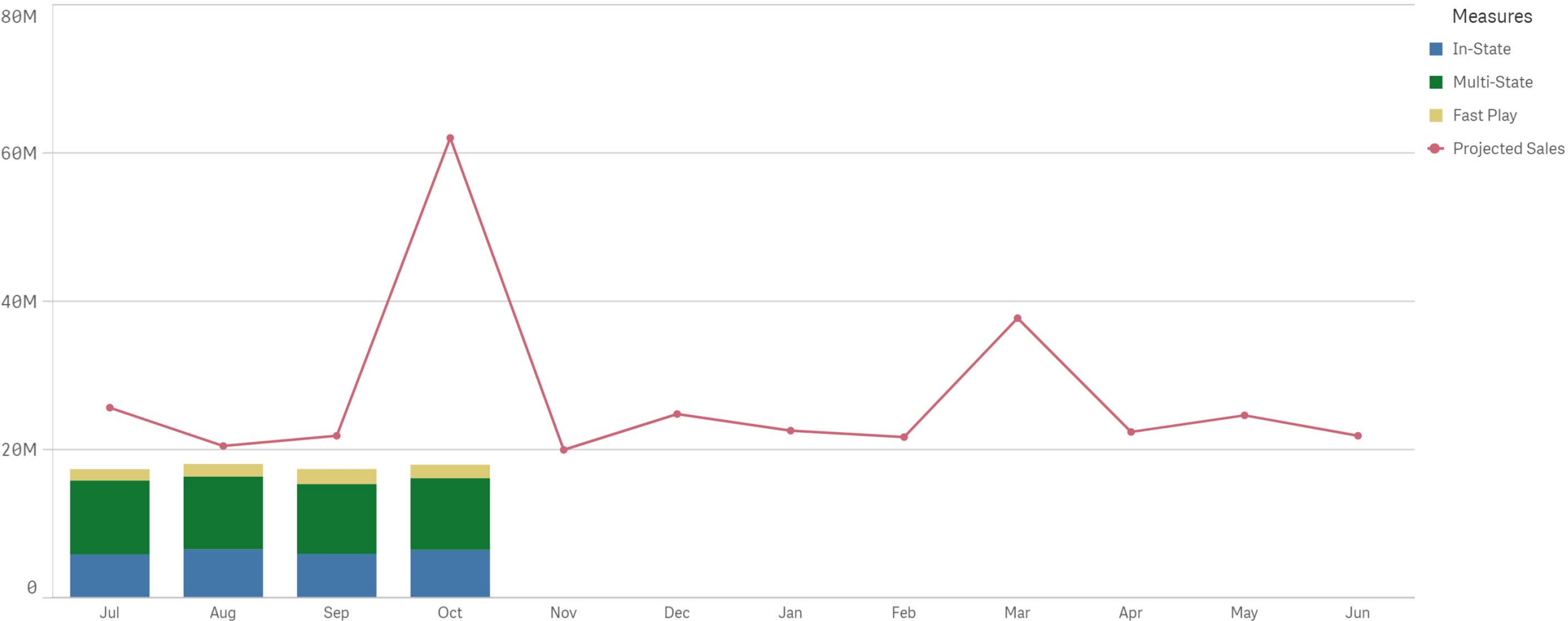


### Instant Sales FY 2019 vs. 2020 vs. Projection



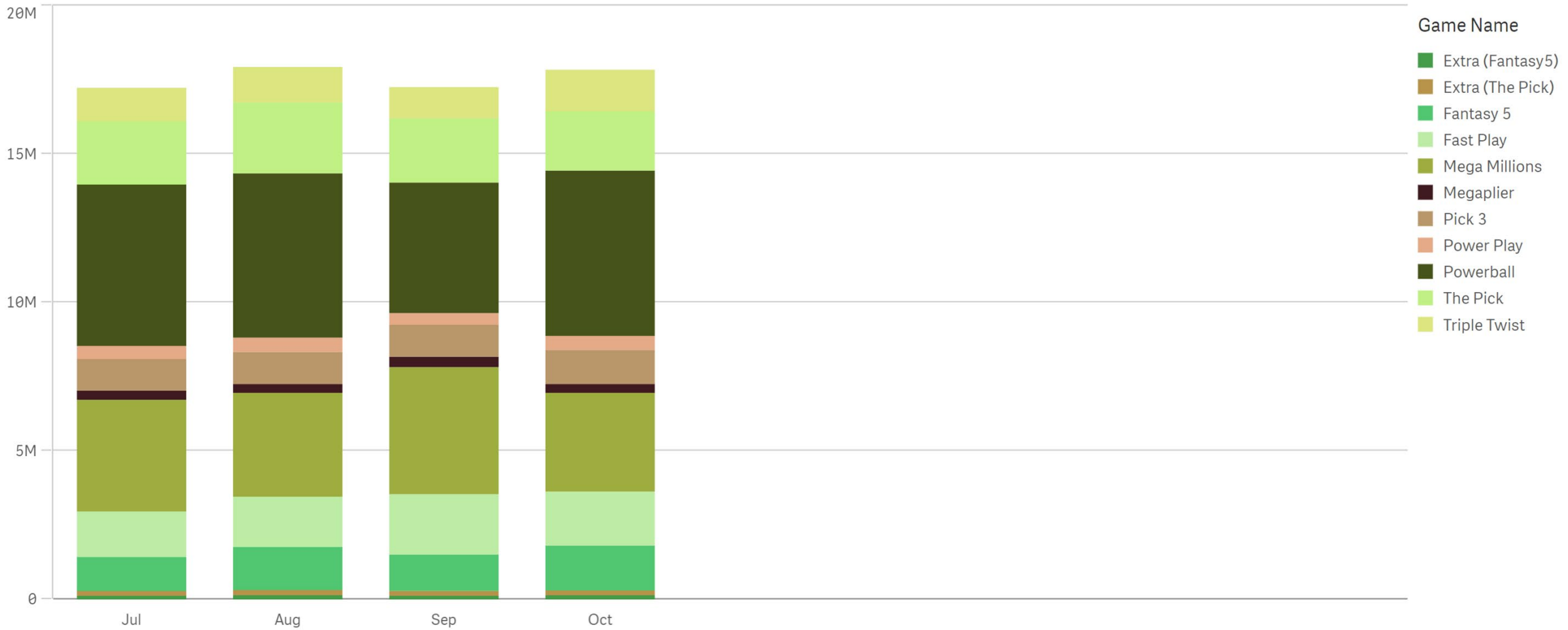
# Draw Sales by Month

FY 2020 Draw Sales by Multi-State & In-State



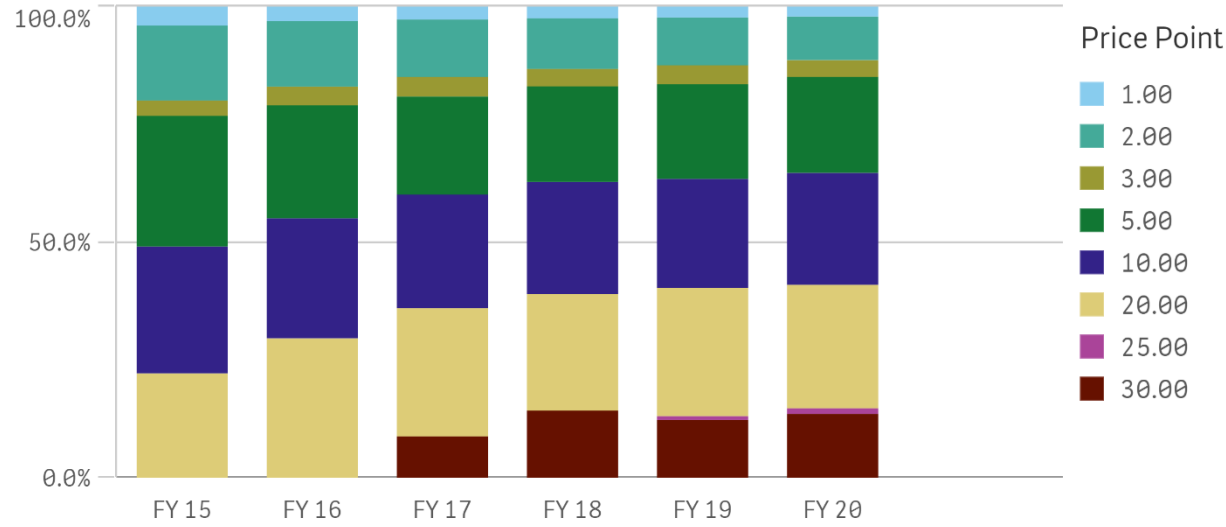
# Draw Sales by Game

FY 2020 Draw Sales by Game

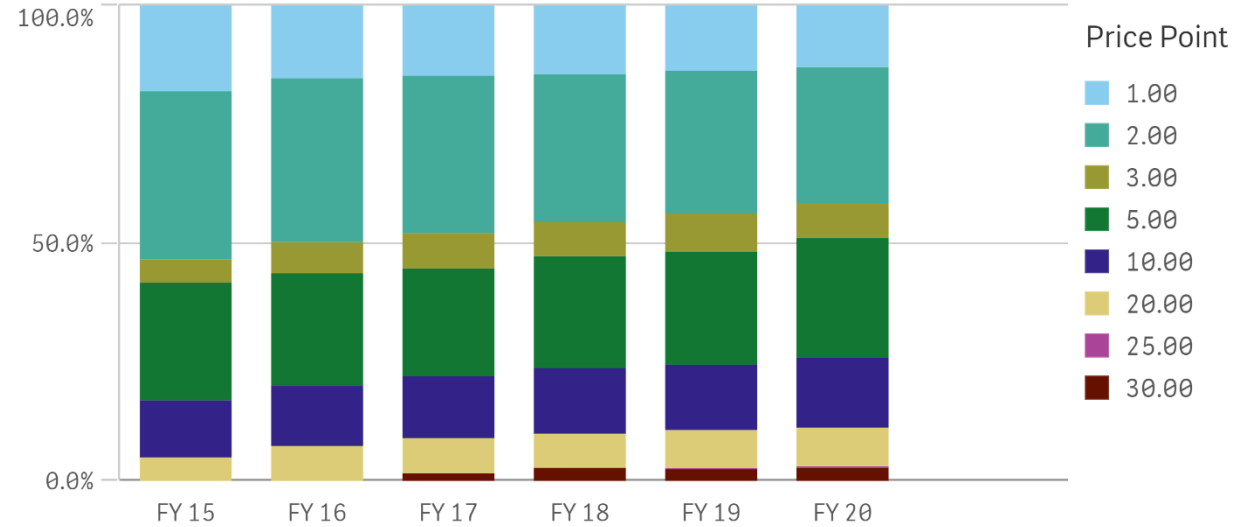


# Scratcher Sales by Price Point

Based on Dollars Sold



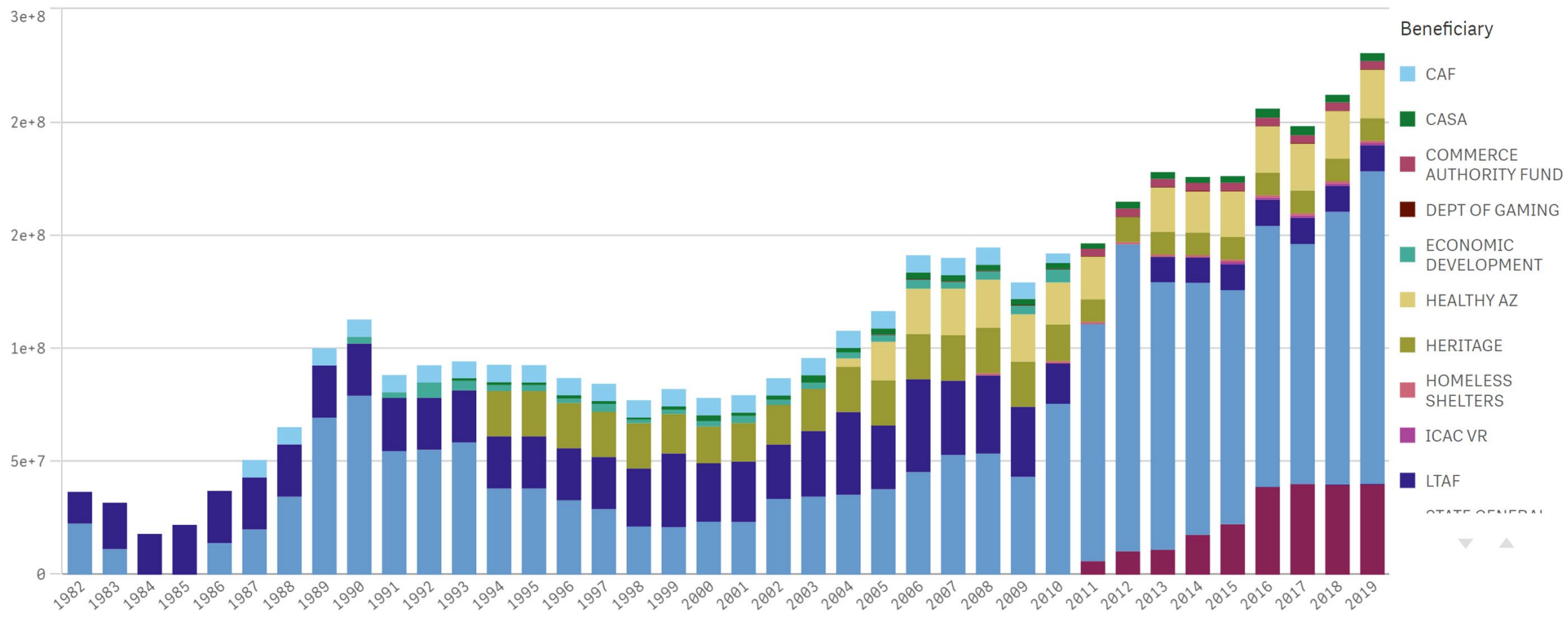
Based on Tickets Sold



Price Point	FY 16	FY 17	FY 18	FY 19	FY 20	Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
1.00	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856	\$4,980,894	1.00	18,183,806	17,230,930	17,675,313	17,327,856	4,980,894
2.00	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580	\$22,041,620	2.00	41,128,564	38,540,320	38,143,210	38,022,790	11,020,810
3.00	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967	\$8,476,818	3.00	7,774,485	8,782,789	8,734,926	10,138,989	2,825,606
5.00	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810	\$48,507,435	5.00	28,315,735	26,364,618	28,884,781	30,058,962	9,701,487
10.00	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390	\$56,640,410	10.00	15,039,869	15,223,175	16,866,241	17,376,339	5,664,041
20.00	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420	\$62,477,300	20.00	8,748,198	8,619,666	8,818,238	10,200,371	3,123,865
25.00	\$0	\$0	\$0	\$6,504,400	\$2,773,925	25.00	0	0	0	260,176	110,957
30.00	\$0	\$55,673,280	\$101,269,350	\$91,917,900	\$32,380,140	30.00	0	1,855,776	3,375,645	3,063,930	1,079,338



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	\$5,880,490	\$4,071,414	\$9,951,904	\$2,297,107	\$1,268,159	\$1,059,345	\$0	\$0	\$1,125,716	\$5,750,327	\$17,236,890
Aug	\$6,018,001	\$3,793,607	\$9,811,608	\$2,569,584	\$1,589,385	\$1,080,828	\$0	\$0	\$1,193,350	\$6,433,147	\$17,938,895
Sep	\$4,790,702	\$4,631,885	\$9,422,587	\$2,330,908	\$1,348,422	\$1,076,695	\$0	\$0	\$1,050,346	\$5,806,371	\$17,261,903
Oct	\$6,046,699	\$3,623,612	\$9,670,311	\$2,159,099	\$1,653,066	\$1,145,235	\$0	\$0	\$1,399,574	\$6,356,974	\$17,847,425

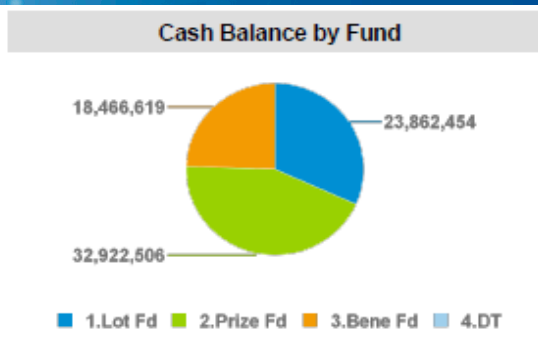
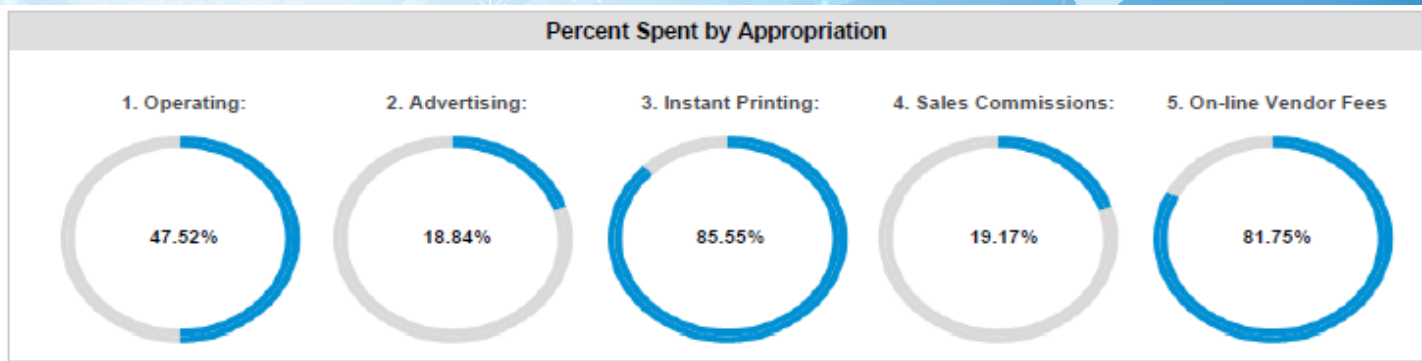
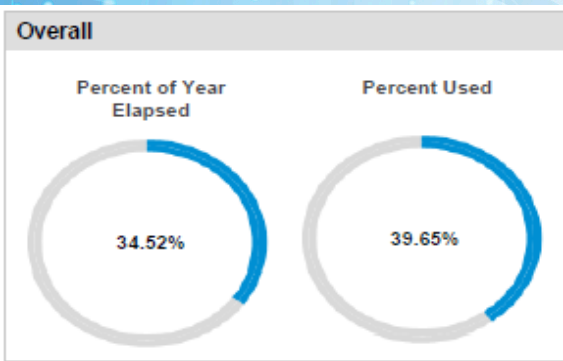


# Instant Game Monthly Sales

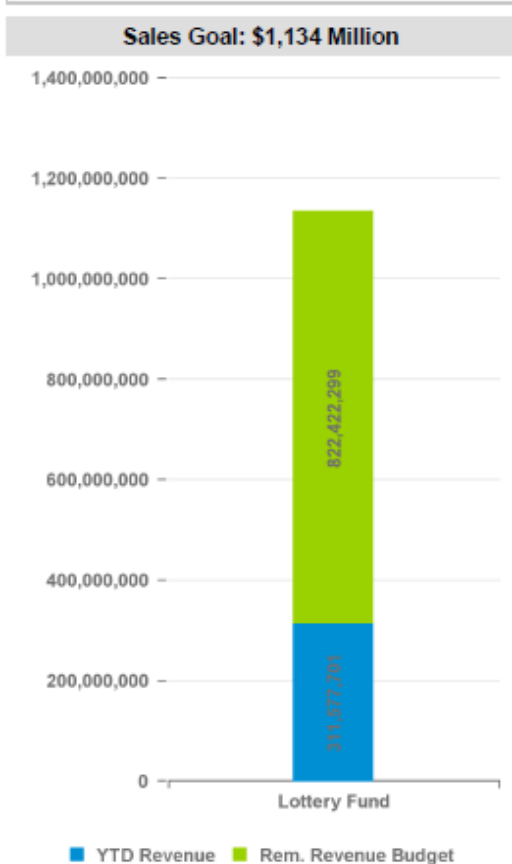
Month	SCRATCHERS	CHARITABLE PULL-TABS	AGE-RESTRICTED PULL-TABS	TOTAL INSTANT SALES CURRENT FY	TOTAL INSTANT SALES PREVIOUS FY	% of Change
Jul	\$61,828,525	\$548,022	\$195,480	\$62,608,747	\$59,536,899	5.2%
Aug	\$60,112,466	\$457,806	\$176,040	\$60,789,512	\$58,513,385	3.9%
Sep	\$56,616,634	\$415,722	\$192,240	\$57,244,036	\$56,685,728	1.0%
Oct	\$59,720,917	\$673,416	\$173,880	\$60,650,293	\$58,403,424	3.8%
Nov	\$0	\$0	\$0	\$0	\$58,202,770	-100.0%
Dec	\$0	\$0	\$0	\$0	\$63,575,488	-100.0%
Jan	\$0	\$0	\$0	\$0	\$67,318,971	-100.0%
Feb	\$0	\$0	\$0	\$0	\$64,393,312	-100.0%
Mar	\$0	\$0	\$0	\$0	\$73,524,672	-100.0%
Apr	\$0	\$0	\$0	\$0	\$68,280,835	-100.0%
May	\$0	\$0	\$0	\$0	\$69,167,313	-100.0%
Jun	\$0	\$0	\$0	\$0	\$62,589,230	-100.0%



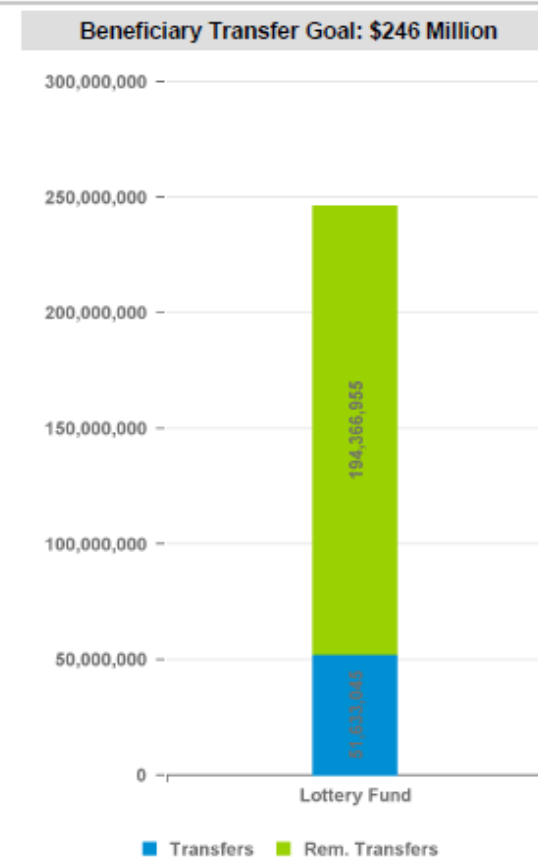
# FY20 Year-To-Date Financial Status



## Budget by Appropriation Type and Object Class



Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used
1. Operating:	6000 - Personal Services	4,571,000	1,514,193	-	3,056,807	33.13%
	6100 - Employee Related Expenditures	1,993,000	622,687	-	1,370,313	31.24%
	6200 - Professional And Outside Services	386,800	195,355	538,425	-346,980	189.71%
	6500 - Travel - In-State	271,600	42,874	160,680	68,046	74.95%
	6600 - Travel - Out-Of-State	16,800	8,431	-	8,369	50.19%
	7000 - Other Operating Expenditures	1,658,200	324,594	783,956	549,650	66.85%
	8100 - Capital Outlay	-	-	-	-	100.00%
	8400 - Capital Equipment	-	-	7,874	-7,874	100.00%
	8500 - Non-Capital Equipment	75,000	13,826	64,284	-3,109	104.15%
	9100 - Transfers Out	230,000	95,661	-	134,339	41.59%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>9,202,400</b>	<b>2,817,621</b>	<b>1,555,218</b>	<b>4,829,561</b>	<b>47.52%</b>
2. Advertising:	7000 - Other Operating Expenditures	15,500,000	2,708,636	210,919	12,580,445	18.84%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>15,500,000</b>	<b>2,708,636</b>	<b>210,919</b>	<b>12,580,445</b>	<b>18.84%</b>
3. Instant Printing:	7000 - Other Operating Expenditures	24,060,100	3,444,721	9,132,220	11,483,159	52.27%
	8400 - Capital Equipment	7,000,000	6,995,000	7,000,000	-6,995,000	199.93%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>31,060,100</b>	<b>10,439,721</b>	<b>16,132,220</b>	<b>4,488,159</b>	<b>85.55%</b>
4. Sales Commissions:	7000 - Other Operating Expenditures	80,015,200	15,342,107	-	64,673,093	19.17%
	- NOT ENTERED	-	-	-	-	100.00%
<b>Total:</b>		<b>80,015,200</b>	<b>15,342,107</b>	<b>-</b>	<b>64,673,093</b>	<b>19.17%</b>
5. On-line Vendor Fees:	6200 - Professional And Outside Services	11,009,400	1,802,390	7,197,610	2,009,400	81.75%
	- NOT ENTERED	-	-	-	-	100.00%
	<b>Total:</b>	<b>11,009,400</b>	<b>1,802,390</b>	<b>7,197,610</b>	<b>2,009,400</b>	<b>81.75%</b>
<b>Total:</b>		<b>146,787,100</b>	<b>33,110,475</b>	<b>25,095,967</b>	<b>88,580,658</b>	



**New Business Item #1**  
Instant Scratch Game Profiles  
Report to Arizona Lottery Commission  
November 22, 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: *Power 8s* #1260, *100X* #1261, *Lucky Lines* #1263 and *Aces High* #1264.

**Power 8s #1260.** This \$5 game has a top prize of \$58,000 and will be printed at a quantity of approximately 2.4 million tickets.

**100X #1261.** This \$30 game has a top prize of \$3,500,000 (30-year annuity) or a one-time cash payment of \$1,750,000. This game will be printed at a quantity of approximately 3.8 million tickets.

**Lucky Lines #1263.** This \$3 game has a top prize of \$20,000 and will be printed at a quantity of approximately 2.6 million tickets.

**Aces High #1264.** This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 2 million tickets.

Attachments (Commissioners only)

**New Business Item # 2**  
Instant Tab Game Profiles  
Report to Arizona Lottery Commission  
November 22, 2019

---

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

**NEW GAME PROFILES**

Attached for the Lottery Commission's action are new instant tab game profiles: *Lady Liberty #129*, *American Jackpot #130*, *Ruby Red Slots #1042*, and *Gimme More Money #1043*.

**Lady Liberty #129.** This 25¢ game has a top prize of \$55 and will be printed at a quantity of approximately 583,200 tickets.

**American Jackpot #130.** This 25¢ game has a top prize of \$50 and will be printed at a quantity of approximately 583,200 tickets.

**Ruby Red Slots #1042.** This \$2 game has a top prize of \$400 and will be printed at a quantity of approximately 270,000 tickets.

**Gimme More Money #1043.** This \$2 game has a top prize of \$400 and will be printed at a quantity of approximately 270,000 tickets.

Attachments (Commissioners only)

**New Business Item #3**  
Fast Play Game Profile  
Report to Arizona Lottery Commission  
November 22, 2019

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This report has been provided to the Lottery Commission regarding a 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: *Piggy Bank Bucks #118*.

**Piggy Bank Bucks #118.** This \$1 Fast Play game has a top prize of \$1,000. A total of seven 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 five times on a single ticket.

Attachments (Commissioners only)

**New Business Item #4**  
Multiplier Mania Second Chance Promotion Profile #97  
Report to Arizona Lottery Commission  
November 22, 2019

---

This report has been provided to the Lottery Commission regarding the Multiplier Mania 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: *Multiplier Mania Promotion Profile #97*.

**Multiplier Mania Promotion Profile #97**

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

Attachments (Commissioners only)