

# February 21, 2020 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 21, 2020, 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 January 24, 2020, Public Meeting

#### Agency Reports

- 1. Director's Presentation
- 2. Financial Report Presentation
- 3. Marketing and Products Presentation
- 4. New Games Introduction No Presentation

#### New Business

- 1. Discussion and action on new instant scratch game profiles: Arizona Gold #1268, Red Hot Double Doubler #1271, Fiery 5's #1272, \$50,000 Inferno #1273, and Sizzling Hot \$100,000 #1274.
- 2. Discussion and action on new instant tab game profiles: *I Love My Country #131*, *Jingle All the Way #132, One Nation #133, I Love Big Cash #134, 4<sup>th</sup> & 1 #1044, Hit a Homer #1045, and Holiday Cheer #1046.*
- 3. Discussion and action on new promotion profile: *Million Dollar Giveaway Promotion Profile* #99.
- 4. Discussion and action on promotion profile: *Scratchers*® and Draw Game Retailer *Selling Incentive Promotion Profile* #100.
- 5. Discussion and action on profile: *Retailer Compensation Profile #2 Bonus Commission Rate.*

#### **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 20, 2020, 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 14<sup>th</sup> day of February, 2020

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 January 24, 2020, meeting

**PRESIDING** Chair Jeff Weintraub (in person)

**COMMISSIONERS** 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

> Luanne Mansanares, Ivy Gilio, Shelby Alessi, Mary Cimaglio, John Gilliland, Stacey Henderson, Holly Gordon, Tiffany Paris, Jacob Rusywick, Orion Steen and Susan Kalember

- GUESTS Attorney General Representative: Pamela (Linnins) Peiser Scientific Games Representatives: Topper Wilson, and Rachelle Shackelford IGT Representative: Serena Arlotta Owens Harkey Representatives: Noelle Hobaica, Angie Vollmers and Chelsea Smeland
- PUBLIC None

#### Call to Order

1. Call for Quorum: Pursuant to the Public Notice dated January 16, 2020, 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, Commissioners Roth, and Crump appearing in person.

- 2. Notice: Notice was posted by Luanne Mansanares on January 17, 2020, at 11:26 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 December 20, 2019, Public Meeting. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

#### Agency Reports

1. **Retailer of the Quarter:** Ms. Tiffany Paris gave a PowerPoint presentation highlighting Fry's Marketplace #694. The presentation is attached for the official minutes.

2. **Director's Presentation**: Director Edgar presented a video of the beneficiary of the month, Local Transportation Assistance Fund (LTAF). LTAF is one of two beneficiaries that have existed since Arizona Lottery's establishment in 1981.

Chair Weintraub inquired if Valley Metro created the video themselves.

Director Edgar informed that the video was created by Story tellers.

Director Edgar presented information on FY20 Financial Projections. He informed the Commission that the projections were lowered from \$1,134,000,000 to \$1,052,500,000 due to lower jackpots. The Director's report is attached for the official minutes.

3. **Financial Report**: Mr. Russ Harben presented a financial overview of sales from all product lines for the past 12 months as well as year-to-date sales.

Director Edgar informed the Commission that the Arizona Lottery is currently running a promotion utilizing unclaimed prizes to increase the prizes for non-jackpot prize winners of the Arizona draw game The Pick.

Mr. Harben continued to inform the Commission that the Arizona Lottery has given a little over \$200,000 in additional prizes during this promotion.

Chair Weintraub inquired if the Arizona Lottery has seen a lift in sales.

Mr. Harben informed the Commission that the Lottery has seen a 13% lift from a sales perspective.

Chair Weintraub inquired what the 13% is in monetary value.

Mr. Harben informed the Commission that it's about \$100K in incremental sales.

Director Edgar informed the Commission that the unclaimed prize promotion increases player excitement and has also drawn media attention, creating a positive player interaction.

Mr. Harben concluded his presentation with a projected financial overview for each Arizona Lottery product. The presentation is attached for the official minutes.

4. Vending Machine Sales and Out of Stocks Presentation: Ms. Raynie Hosto presented sales information on the following vending machines; Low Profile (LP), Playcentral (PCT), and Playcentral EX.

Chair Weintraub inquired if the increase of vending machines increased the amount of sales.

Ms. Hosto informed the Commission that the upcoming information within the presentation would provide answers to Chair Weintraub's inquiry.

Commissioner Crump inquired what defines out of stock and if out of stock prevents the customer from purchasing lottery tickets.

Ms. Hosto informed the Commission that an out of stock is defined as one or more bins being out of stock, however, it does not prevent the customer from utilizing the machine, it only hinders the customer from purchasing the preferred game that is out of stock.

Chair Weintraub inquired if the Arizona Lottery explains to the vendor that being out of stock of a particular game costs the vendor money due to lack of sales.

Ms. Hosto informed the Commission that the Arizona Lottery does a great job explaining to the vendor the percentage of out of stocks in relation to the amount of potential revenue the vendor lost due to the out of stocks.

Commissioner Roth inquired if grocery stores have more vending machines than Circle K.

Ms. Hosto informed the Commission that yes, grocery stores do have more vending machines and Circle K is just a pilot right now and she would have more information within the presentation that would explain.

Chair Weintraub inquired if the increase of scratcher sales is tied to the Walmart expansion.

Director Edgar informed the Commission that it's not tied directly to Walmart; that the numbers are up due to the increase in sales at all retail locations, the added feature of debit, and the rise in population.

Ms. Hosto and Director Edgar informed the Commission that Walmart has the potential for added growth and future expansion plans for Walmart vending.

Commissioner Crump inquired if out of stocks are due to lack of the individual store not having ticket stock or the store simply not refilling the machines.

Ms. Hosto informed the Commission yes, it is due to lack of refilling and in some cases it is due to lack of ticket stock. The Arizona Lottery is working on educating those retailers on the importance of refilling and how to order adequate inventory to ensure the vending machines remain full. Ms. Hosto also informed the Commission of the upcoming CVS Vending Machine Pilot Program, explaining how the Arizona Lottery would train a vendor partner to service the CVS vending machines.

Chair Weintraub inquired if CVS would pay for this vendor service program.

Director Edgar and Ms. Hosto informed the Commission that a different contract would be created for CVS that would cover the labor costs. The presentation is attached for the official minutes.

#### 5. 2<sup>nd</sup> Quarter Product & Sales Review: No Presentation

6. New Game Introduction: No presentation.

#### New Business

1. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant scratch game profiles: \$100,000 Instant Jackpot #1265, Route 66 Road to \$1,000,000.00 #1266, Joker's Wild Crossword #1267, and \$50 or \$100 #1270. 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 instant scratch game profiles #1265, #1266, #1267 and #1270. Commissioner Roth moved; Commissioner Crump 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.

#### <u>Announcements</u> –

1. The next Commission meeting will be held February 21, 2020, 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.

#### <u>Materials</u>

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**

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#### Agency Reports Report to Arizona Lottery Commission February 21, 2020

#### **Director's Presentation**

#### **Financial Report Presentation**

#### **Products and Marketing Presentation**

#### **New Games Introduction – No Presentation**

The following games were introduced since the last commission meeting: *Mad Money #1228, Quick Win Bingo #1234, Lucky #1244, Triple Red 7s #1245, and Lucky Lines #1263.* 

More information on these games is available by visiting the <u>Scratchers</u> 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.

Date Ended	Price Point	Game No.	Game Name	Beginning Inventory	% Sold through 2/12/20
1/18/20	\$3	1200	Crossword Corner Cash	4,905,300	92.9%
1/19/20	\$5	1222	Lady Luck	2,461,920	78.0%
2/7/20	\$10	1220	Wheel of Fortune®	1,800,780	74.4%

# **ATTACHMENT A**



Dashboard Report February 2020

> SERVING ARIZONA FOR 38 YEARS

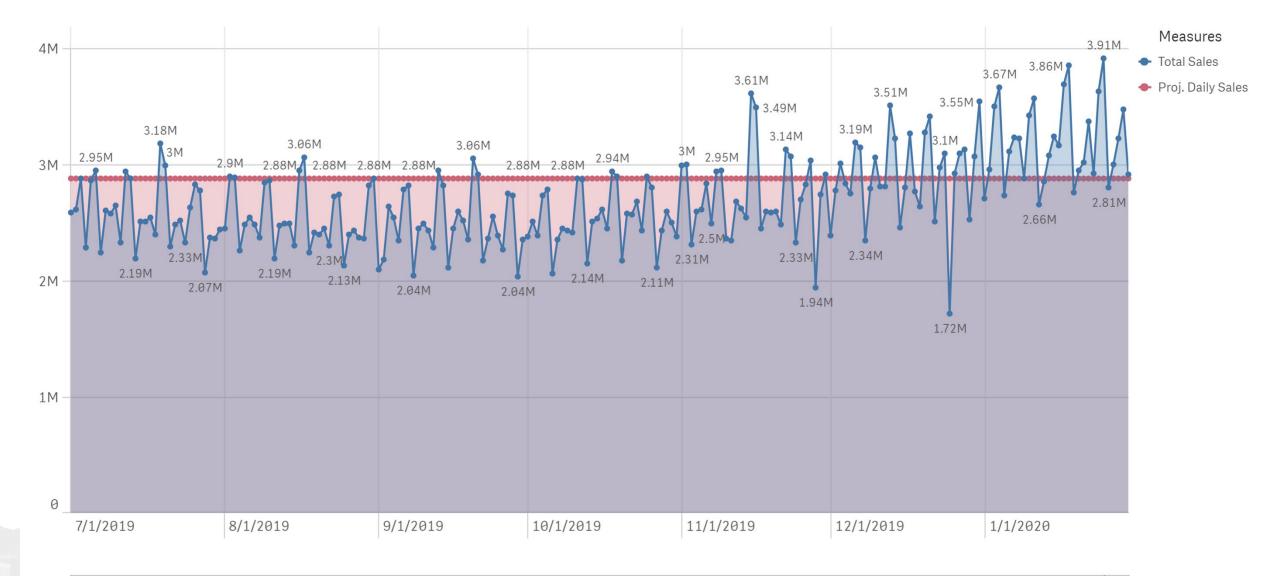
## Dashboard



vs.	<b>1.3%</b> Proj (FYTD)		Total Sale 5 <b>78,8</b>	es (FYTD) <b>89,927</b>	-5.3% vs. pytd	
4.3% vs. Proj (FYTD)	Draw Sales \$137,642,010 <sup>23.8%</sup> %Total Sales		-28.0% vs. PYTD	0.4% vs. Proj (FYTD)	Instant Sales \$441,247,917 <sup>76.2%</sup> %Total Sales	5.1% vs. PYTD
4.9% vs. Proj (FYTD)	Multi- \$77,899,33	555.5% Draw Sales	- <b>43.6%</b> .PYTD	0.3% vs. Proj (FYTD)	Scratchers Sales \$435,983,433 <sup>08,88</sup> %Instant Sales	<b>5.2%</b> vs. PYTD
<b>4.2%</b> vs. Proj (FYTD)		In-State \$46,895,550 <sup>34,1%</sup> \$ <sup>xDraw Sales</sup>		<b>-2.8%</b> vs. Proj (FYTD)	Charitable Pulltab Sales \$3,668,244 <sup>e.8%</sup> %Instant Sales	- <b>13.4%</b> vs. PYTD
1.6% vs. Proj (FYTD)	Fast Play \$12,847,105 <sup>9.3%</sup> XDraw Sales		35.4% PYTD	-5.8% vs. Proj (FYTD)	Age Rest. Pulltab Sales \$1,321,920% XInstant Sales	17.1% vs. PYTD
Draw Sales : From 7/1/2 1/30/2020 Fast Play Sales : From 2/ To 1/30/2020	11/2018 - Pul	tcher Sales : From 7/1/2014 - To 1/30/2020 Itab Sales : From 7/1/2014 - To 1/30/2020	- 15 <sup>-4</sup>	vs. Proj (FYTD)	Other Pulltab Sales \$273,240 <sup>8.1%</sup> %Instant Sales	197.6% vs. PYTD

## **Daily Sales vs Goal**

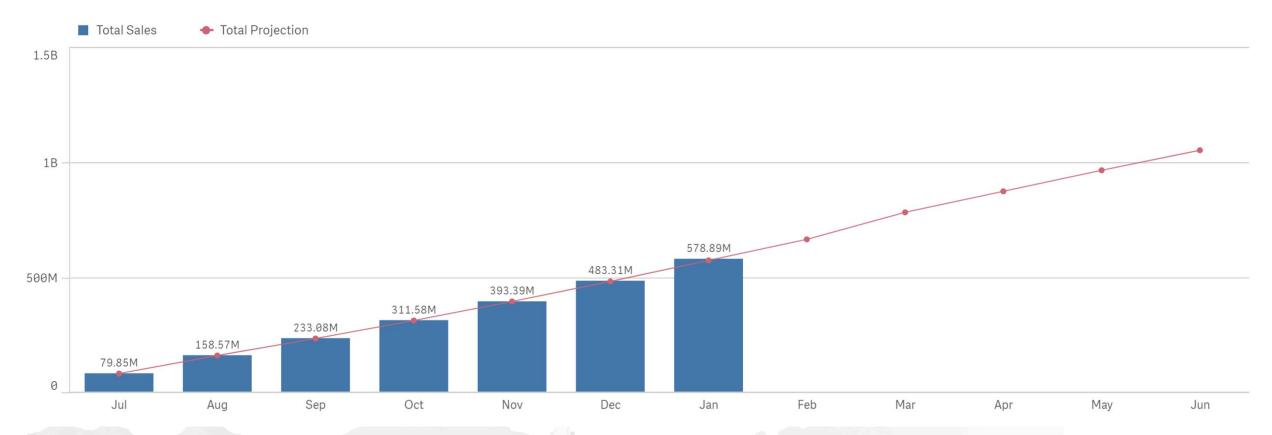




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#### FY 2020 Total Sales vs. Projection



## **Rolling 12 Month Total Sales**



#### Rolling 12 Month Sales



**All Games** 

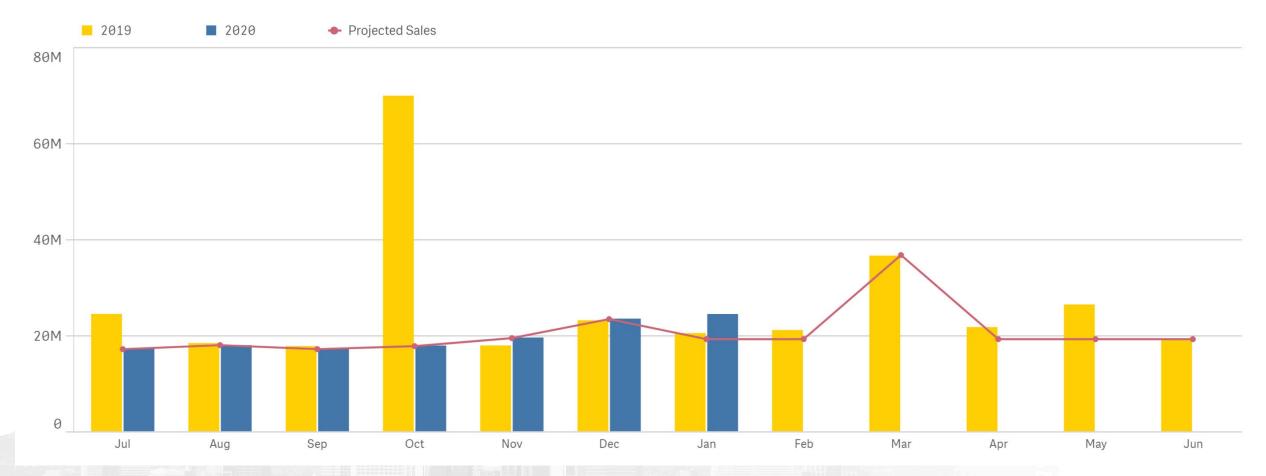


#### Total Sales FY 2019 vs. 2020 vs. Projection



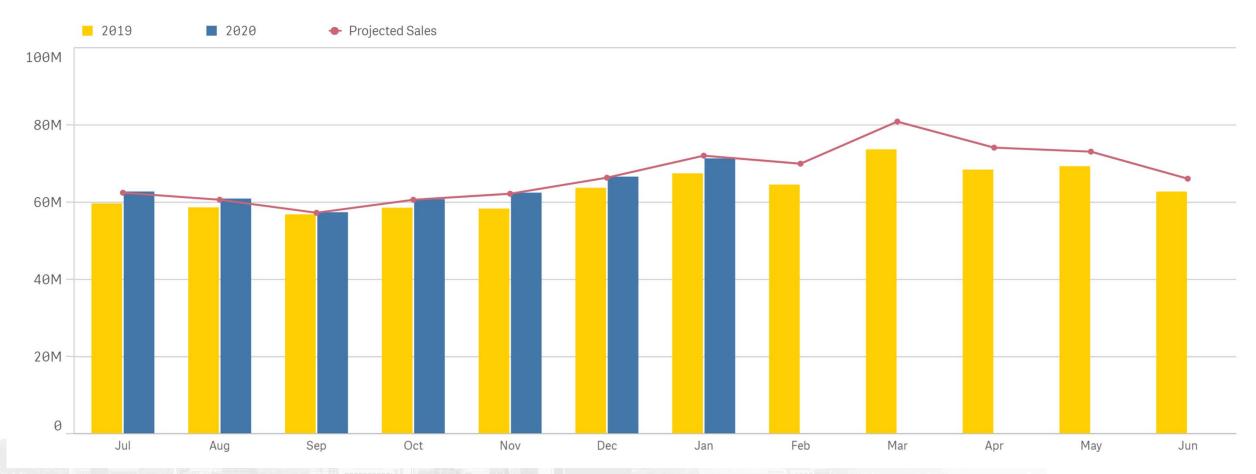


#### Draw Sales FY 2019 vs. 2020 vs. Projection



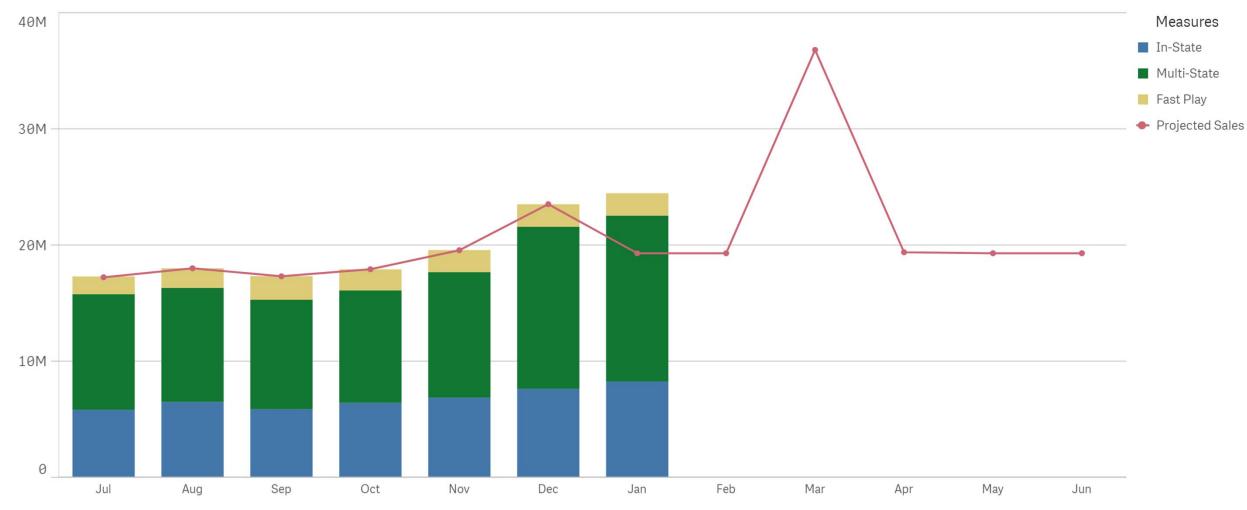


#### Instant Sales FY 2019 vs. 2020 vs. Projection





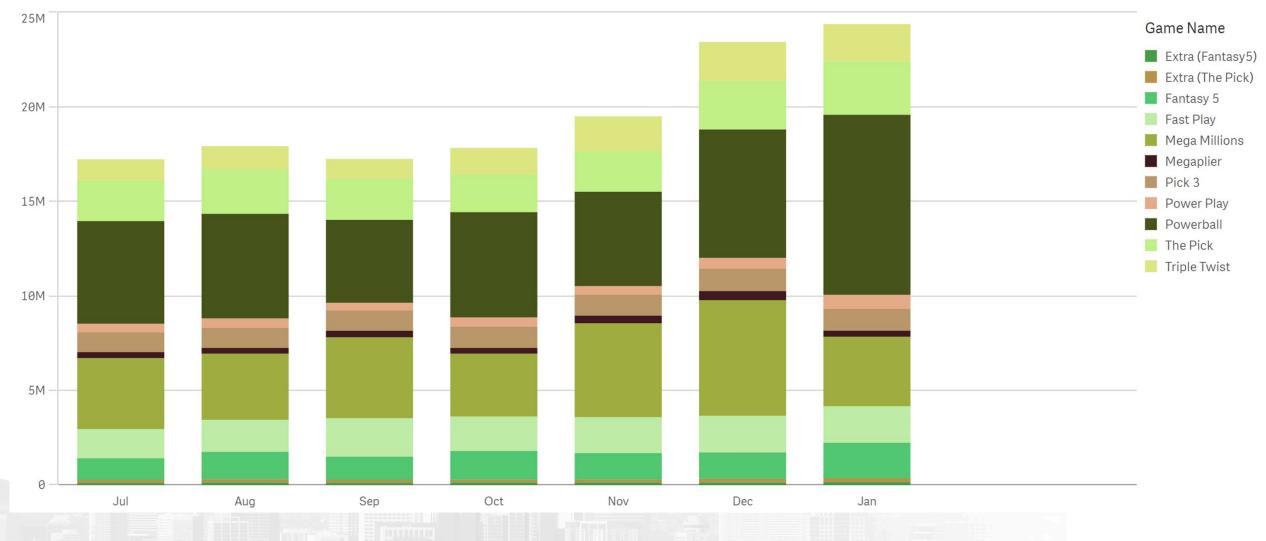
#### FY 2020 Draw Sales by Multi-State & In-State



## **Draw Sales by Game**

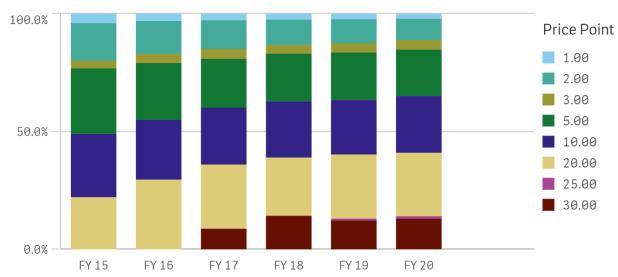


#### FY 2020 Draw Sales by Game



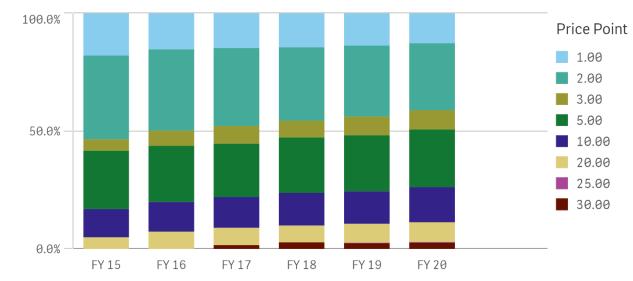
## **Scratcher Sales by Price Point**





#### **Based on Dollars Sold**

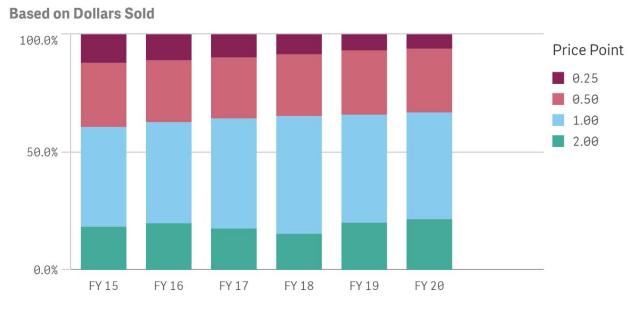
**Based on Tickets Sold** 

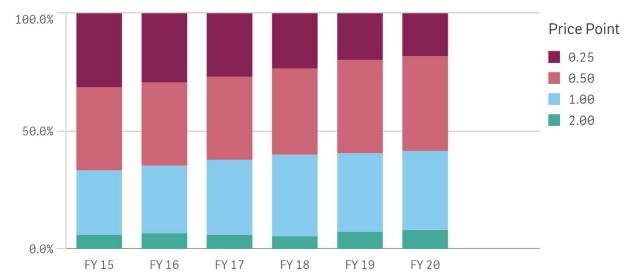


Price Point	FY 16	FY 17	FY 18	FY 19	FY 20	Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
1.00	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856	\$8,954,329	1.00	18,183,806	17,230,930	17,675,313	17,327,856	8,954,329
2.00	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580	\$39,891,866	2.00	41,128,564	38,540,320	38,143,210	38,022,790	19,945,933
3.00	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967	\$17,259,498	3.00	7,774,485	8,782,789	8,734,926	10,138,989	5,753,166
5.00	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810	\$85,863,260	5.00	28,315,735	26,364,618	28,884,781	30,058,962	17,172,652
10.00	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390	\$104,944,750	10.00	15,039,869	15,223,175	16,866,241	17,376,339	10,494,475
20.00	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420	\$117,530,160	20.00	8,748,198	8,619,666	8,818,238	10,200,371	5,876,508
25.00	\$0	\$0	\$0	\$6,504,400	\$4,727,100	25.00	0	0	0	260,176	189,084
30.00	\$0	\$55,673,280	\$101,269,350	\$91,917,900	\$56,812,470	30.00	0	1,855,776	3,375,645	3,063,930	1,893,749

## **Pull Tab Sales by Price Point**







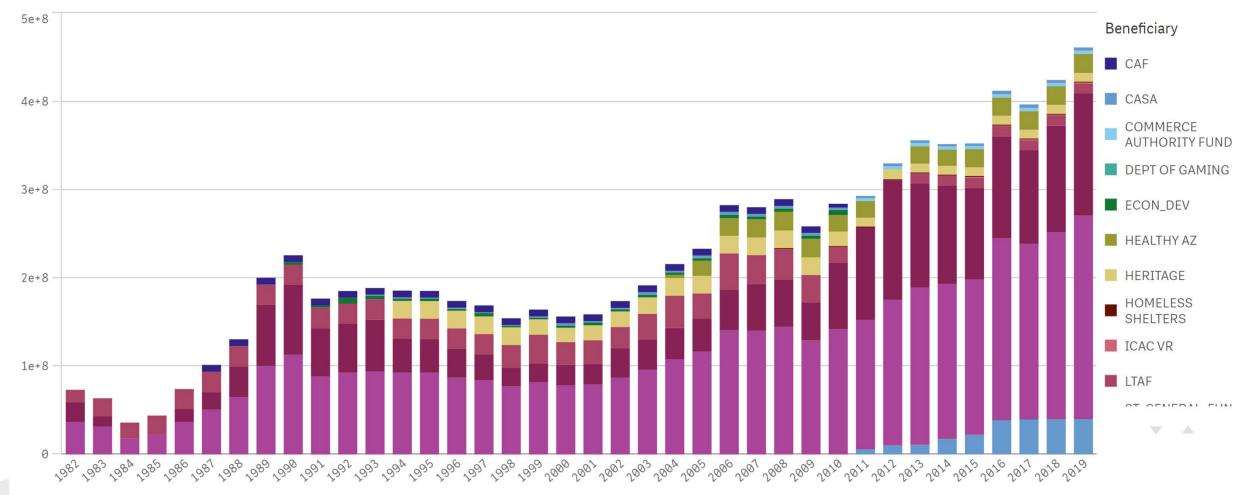
**Based on Tickets Sold** 

Price Point	FY 16	FY 17	FY 18	FY 19	FY 20	Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
0.25	\$664,482	\$762,762	\$732,186	\$673,764	\$321,594	0.25	2,657,928	3,051,048	2,928,744	2,695,056	1,286,376
0.50	\$1,597,560	\$2,004,420	\$2,291,940	\$2,699,880	\$1,425,510	0.50	3,195,120	4,008,840	4,583,880	5,399,760	2,851,020
1.00	\$2,603,580	\$3,621,360	\$4,350,480	\$4,556,220	\$2,383,260	1.00	2,603,580	3,621,360	4,350,480	4,556,220	2,383,260
2.00	\$1,203,360	\$1,363,440	\$1,338,600	\$1,983,840	\$1,134,120	2.00	601,680	681,720	669,300	991,920	567,060

**Community Impact** 



**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
Nov	\$5,436,359	\$5,371,878	\$10,808,237	\$2,333,182	\$1,530,384	\$1,117,450	\$0	\$0	\$1,818,390	\$6,799,406	\$19,508,789
Dec	\$7,354,457	\$6,598,378	\$13,952,835	\$2,763,999	\$1,542,283	\$1,195,803	\$0	\$0	\$2,058,220	\$7,560,305	\$23,450,967
Jan	\$10,278,727	\$4,003,146	\$14,281,873	\$3,044,531	\$2,032,192	\$1,143,443	\$0	\$0	\$1,968,854	\$8,189,020	\$24,397,141

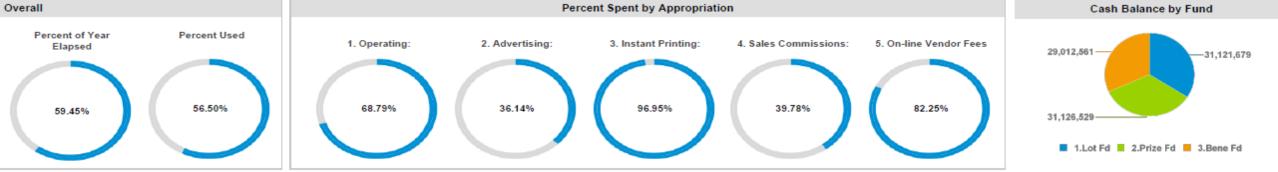
## **Instant Game Monthly Sales**



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	\$61,681,325	\$436,362	\$157,680	\$62,303,447	\$58,202,770	7.0%
Dec	\$65,688,113	\$535,482	\$213,840	\$66,464,435	\$63,575,488	4.5%
Jan	\$70,335,453	\$601,434	\$212,760	\$71,187,447	\$67,318,971	5.7%
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	Beneficiary Transfer Goal: \$228 Million
Sales Goal: \$1,052 Million	1. Operating:	6000 - Personal Services	4,571,000	2,711,306	-	1,859,694	59.32%	Denenciary transfer Goal: \$220 Million
1,200,000,000 -		6100 - Employee Related Expenditures	1,993,000	1,113,481	-	879.519	55.87%	300.000.000 -
		6200 - Professional And Outside Services	386,800	385,947	438,469	-437,616	213.14%	
		6500 - Travel - In-State	271,600	97,807	116,614	57,179	78.95%	
		6600 - Travel - Out-Of-State	16,800	12,209	-	4,591	72.67%	
1,000,000.000 -		7000 - Other Operating Expenditures	1,658,200	640,078	551,667	466,455	71.87%	250.000.000 -
		8100 - Capital Outlay	-	-	-	-	100.00%	
		8400 - Capital Equipment	-	14,108	-	-14,108	100.00%	
		8500 - Non-Capital Equipment	75,000	48,404	44,018	-17,422	123.23%	
800,000,000 -		9100 - Transfers Out	230,000	155,842	-	74,159	67.76%	200.000.000 -
800,000,000		- NOT ENTERED	-	-	-	-	100.00%	
4		Total:	9,202,400	5,179,181	1,150,768	2,872,450	68.79%	323
	2. Advertising:	7000 - Other Operating Expenditures	15,500,000	5,462,522	139,499	9,897,979	36.14%	822
		- NOT ENTERED	-	-	-	-	100.00%	N .
600,000,000 -		Total:	15,500,000	5,462,522	139,499	9,897,979	36.14%	150,000,000 -
	3. Instant Printing:	7000 - Other Operating Expenditures	24,060,100	7,307,571	7,065,689	9,686,840	59.74%	
		8400 - Capital Equipment	7,000,000	8,739,175	7,000,000	-8,739,175	224.85%	
		- NOT ENTERED	-	-	-	-	100.00%	
400,000,000 -		Total:	31,060,100	16,046,745	14,065,689	947,666	96.95%	100,000,000 -
53	4. Sales Commissions:	7000 - Other Operating Expenditures	80,015,200	31,828,861	-	48,186,339	39.78%	
S. S		- NOT ENTERED	-	-	-	-	100.00%	2
2		Total:	80,015,200	31,828,861	-	48,186,339	39.78%	
200,000,000 -	5. On-line Vendor Fees:	6200 - Professional And Outside Services	11,009,400	5,143,393	3,911,607	1,954,400	82.25%	50,000,000 - 9
		- NOT ENTERED	-	-	-	-	100.00%	<u>6</u>
		Total:	11,009,400	5,143,393	3,911,607	1,954,400	82.25%	
			146,787,100	63,660,703	19,267,564	63,858,834		
0								0
Lottery Fund								Lottery Fund

Lottery Fund

Lottery Fund

#### New Business Item #1 Instant Scratch Game Profiles Report to Arizona Lottery Commission February 21, 2020

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: Arizona Gold #1268, Red Hot Double Doubler #1271, Fiery 5's #1272, \$50,000 Inferno #1273, and Sizzling Hot \$100,000 #1274.

<u>Arizona Gold #1268.</u> This \$20 game has a top prize of \$500,000 and will be printed at a quantity of approximately 1.8 million tickets.

<u>*Red Hot Double Doubler #1271.*</u> This \$1 game has a top prize of \$1,000 and will be printed at a quantity of approximately 2.6 million tickets.

*Fierv 5's #1272.* This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 1.8 million tickets.

<u>\$50,000 Inferno #1273.</u> This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 1.9 million tickets.

*Sizzling Hot \$100,000 #1274.* This \$10 game has a top prize of \$100,000 and will be printed at a quantity of approximately 1.4 million tickets.

New Business Item #2 Instant Tab Game Profiles Report to Arizona Lottery Commission February 21, 2020

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: I Love My Country #131, Jingle All the Way #132, One Nation #133, I Love Big Cash #134, 4<sup>th</sup> & 1 #1044, Hit a Homer #1045, and Holiday Cheer #1046.

*<u>I Love My Country #131.</u>* This \$1 game has a top prize of \$250 and will be printed at a quantity of approximately 744,000 tickets.

*Jingle All the Way #132.* This \$1 game has a top prize of \$250 and will be printed at a quantity of approximately 744,000 tickets.

<u>One Nation #133.</u> This \$2 game has a top prize of \$400 and will be printed at a quantity of approximately 289,800 tickets.

*<u>I Love Big Cash #134.</u>* This \$2 game has a top prize of \$400 and will be printed at a quantity of approximately 289,800 tickets.

<u> $4^{th}$  & 1 #1044.</u> This \$1 game has a top prize of \$250 and will be printed at a quantity of approximately 250,560 tickets.

<u>*Hit a Homer #1045.*</u> This \$1 game has a top prize of \$250 and will be printed at a quantity of approximately 250,560 tickets.

*Holiday Cheer #1046.* This \$1 game has a top prize of \$250 and will be printed at a quantity of approximately 250,560 tickets.

#### New Business Item #3

Million Dollar Giveaway Second Chance Promotion Profile #99 Report to Arizona Lottery Commission February 21, 2020

This report has been provided to the Lottery Commission regarding the Million Dollar Giveaway 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: *Million Dollar Giveaway Promotion Profile* #99.

#### Million Dollar Giveaway Promotion Profile #99

Starting in April 2020, players may enter non-winning tickets from any designated instant scratch tickets and Fast Play games for a chance to win cash prizes from \$500 to \$1 Million.

#### New Business Item #4

Scratchers® and Draw Game Retailer Selling Incentive Promotion Profile #100 Report to Arizona Lottery Commission February 21, 2020

This promotion profile combines several individual promotion profiles covering Scratchers and draw games making future updates easier and more streamlined. Rather than updating several promotion profiles we will now just update one profile. This change should also result in less frequent updates to promotion profiles overall.

In addition, several draw games have been included in the promotion profile to allow the Lottery to pay retailers a selling incentive on more games. This will work to increase retailer awareness of the games within the Lottery's portfolio of draw games.

#### New Business Item #5 Retailer Compensation Profile #2 Bonus Commission Rate Report to Arizona Lottery Commission February 21, 2020

This promotion profile covers the bonus commission of .05% paid to retailers based upon sales performance within a retail location. This revision to this promotion profile allows the Lottery more flexibility to update the compensation plan periodically rather than annually as was previously the practice.