

## **PUBLIC MEETING OF THE ARIZONA LOTTERY**

Commission Minutes of February 21, 2020, meeting

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

**COMMISSIONERS** Debra Roth (in person), Trent Crump (in person), Julie Katsel (WebEx) and Vice Chair Chad Wilson (WebEx)

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

Kimberly Siddall, Luanne Mansanares, Ivy Gilio, Shelby Alessi, Mary Cimaglio, John Gilliland, Holly Gordon, Orion Steen, Kathleen Syms, Todd Terrell, and Susan Kalember

**GUESTS** Attorney General Representative: Pamela (Linnins) Peiser  
Scientific Games Representatives: Topper Wilson, Julio Dieppa and Rachelle Shackelford  
IGT Representatives: Ernie Perez and Serena Arlotta  
Owens Harkey Representative: Chelsea Smeland

**PUBLIC** Justin Spence, Joelle Rogers, Michael Corporon, and Ron DiBiasio

### **Call to Order**

1. Call for Quorum: Pursuant to the Public Notice dated February 14, 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, while Vice-Chair Wilson and Commissioner Katsel appeared via WebEx.

Notice: Notice was posted by Luanne Mansanares on February 14, 2020, at 10:00 a.m., at the Arizona State Lottery, located at 4740 E. University Dr., Phoenix, Arizona.

2. Approval of minutes: Chair Weintraub entertained a motion to approve the minutes of the January 24, 2020, 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. **Director's Presentation:** Director Edgar recognized Mr. Michael Corporon and Ms. Joelle Rogers who are employed by Valley Life and work at the Arizona Lottery. Valley Life is a nonprofit organization that provides disabled individuals of all ages the opportunity to live a life with choices, independence, and dignity. Director Edgar informed the

Commission of Mr. Corporon and Ms. Rogers recent accomplishment of attaining medals at a recent Special Olympics event. Mr. Ron DiBiasio who is employed by Valley Life gave a brief synopsis of the type of work Valley Life does for the Lottery.

Director Edgar and Mr. John Gilliland presented information on the beneficiary of the month, Chicanos Por La Causa, Inc. (CPLC). Mr. Gilliland informed the Commission that CPLC and the Arizona Lottery will be attending a job fair at Desert Sky Mall. The CPLC plays an important role in the community by providing training and upskilling opportunities to incumbent workers, youth and unemployed individuals who otherwise would not have means or opportunity to attend or attain GEDs, classes and job training to get back into the workforce. One of the Arizona Lottery's core initiatives this year is to help fund the workforce development program. The Arizona Lottery will present CPLC with a \$50,000 to help fund CPLC Workforce Solutions program and help support the pillars of the Arizona Lottery.

Director Edgar informed the Commission that this \$50,000 will enable the Workforce Solutions Program to impact the lives of more than 200 people with case management, vocational training and supportive services.

Chair Weintraub inquired how this recent funding compared to the past.

Mr. Gilliland informed the Commission this was the first monetary donation in this capacity. In the past, the Arizona Lottery was limited on events with CPLC such as fundraising events and galas. The Arizona Lottery is transitioning from a community sponsorships program to a core initiative program. The core initiative program has more of an impact on organizations and on the state as we support the pillars of the lottery.

Director Edgar's presentation included information regarding scratch processing and warehouse and distribution conversion. The warehouse and distribution of scratcher tickets will transition from IGT to Pollard Banknote Limited and the scratch process/ validation process will transition from IGT to Scientific Games on March 1, 2020.

Director Edgar's concluded his presentation with a legislation update on gaming bills that will be presented to the legislators. The presentation is attached for the official minutes.

2. **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. The presentation is attached for the official minutes.
3. **Marketing & Products Presentation:** Mr. Chris Rogers presented an overview of the instant ticket sales, specifically on the January family tickets. His presentation included a financial comparison of all scratcher sales. Mr. Rogers presentation also included information on Live Nation / Circle K Promotion and marketing campaigns for fiscal years 2020 and 2021.

Commissioner Crump stated that he has heard radio advertisements regarding the upcoming event.

Mr. Rogers informed the Commission that current radio advertisements are promoting the Arizona Lottery but the advertisements are not event specific at this time.

Commissioner Katsel inquired if the Arizona Lottery is involved in the promotion to complete the census form.

Mr. Rogers informed the Commission that the Arizona Lottery has been very active in promoting the census since early September 2020. The promotions included reminders to fill out the census.

Mr. John Gilliland then informed the Commission that Arizona Lottery is very involved in the census by utilizing social media to heighten awareness.

Director Edgar informed the Commission that the Arizona Lottery is working with the Governor's Office to promote the census. The Arizona Lottery is utilizing our lottery screens at 3000 retail locations to promote the census. The presentation is attached for the official minutes.

4 **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: *Arizona Gold* #1268, *Red Hot Double Doubler* #1271, *Fiery 5's* #1272, *\$50,000 Inferno* #1273, and *Sizzling Hot \$100,000* #1274. 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 #1268, #1271, #1272, #1273, and #1274. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding 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. 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: #131, #132, #133, #134, #1044, #1045, and #1046. Commissioner Crump moved; Commissioner Roth seconded. The vote was unanimous with all members voting aye and the motion was carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding second chance promotion profile: *Million Dollar Giveaway Second Chance Promotion Profile* #99. 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 second chance promotion profile: *Million Dollar Giveaway Second Chance Promotion Profile #99*. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

4. Chair Weintraub asked if any members of the public wanted to address the Commission regarding: *Scratchers® and Draw Game Retailer Selling Incentive Promotion Profile #100*. 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: *Scratchers® and Draw Game Retailer Selling Incentive Promotion Profile #100*. Commissioner Roth moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

5. Chair Weintraub asked if any members of the public wanted to address the Commission regarding: *Retailer Compensation Profile #2 Bonus Commission Rate*. 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: *Retailer Compensation Profile #2 Bonus Commission Rate*. 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.

### **Announcements**

1. The next Commission meeting will be held March 20, 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.

### **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