



May 21, 2021
COMMISSION
REPORT

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**NOTICE OF TELEPHONIC 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 telephonic ONLY meeting on **May 21, 2021, at 10:00 a.m.** The public is welcomed to join the meeting via telephone or internet through **Google Hangouts Meet**. The following are instructions on joining the meeting via the Google Hangouts Meet:

Join the meeting online by entering the following link into your URL
meet.google.com/tei-spwe-stm

OR

Join the meeting US Toll Free by phone at 601-844-2921 when prompted enter Access Code 765 034 022 **followed by the pound key (#)**

If you are having problems with connecting, please contact 480-921-4493.

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. The Commission may also vote on any item listed on the agenda. All members of the Commission will be participating by means of telephonic communication.

Call to Order

1. Call for Quorum
2. Call for Notice
3. Approval of Minutes for April 23, 2021, Public Meeting

Agency Reports

1. Director's Presentation
2. Financial Report Presentation
3. Products & Marketing Update Presentation
4. New Game Introduction – No Presentation

New Business

1. Discussion and possible action on new instant scratch game profiles: *Celebrando Dia de los Muertos* #1328, *White Elephant* #1334, *Holiday Cash Drop* #1335, *50X Cash* #1339, and *Wild Cherry Crossword* #1340.
2. Discussion and possible action on new promotion profile: 2021 Powerball® New Year's Rockin' Eve Promotion Profile #109

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 June 18, 2021, 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 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 12th day of May, 2021

Gregory R. Edgar
Executive Director

Persons with a disability may request a reasonable accommodation 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 April 23, 2021, Meeting
Telephonic Meeting

PRESIDING Chair Jeff Weintraub (Teleconference)

COMMISSIONERS Debra Roth (Teleconference) and Julie Katsel (Teleconference)

LOTTERY Gregory Edgar, Executive Director; Chris Rogers, Deputy Director of Products and Marketing, Sherri Zendri, Deputy Director of Legal Services, Raynie Hosto, Deputy Director of Customer Service and Sales, Todd Terrell, Deputy Director of Security and Regulatory Division

Kimberly Siddall, Luanne Mansanares, Robert Woodson, Lynda Sellers, Karla Henriksen, Ivy Gilio, Susan Kalember, Shelby Alessi, Serena Arlotta, Kathleen Syms, Devin Slayton, Holly Hichens, and Cheyenne Mcmurtry

GUESTS Attorney General Representative: Pamela (Linnins) Peiser
Scientific Games Representatives: Topper Wilson, and Rachelle Schackelford
Pollard Banknote Limited Representatives: Brad Thompson, John Papile Wes Brown, and Jennifer Wankling
Owens Harkey Representatives: Ken Phox, Noelle Hobaica, Ashley Esquivel, Chelsea Smeland, and Angie Vollmers

PUBLIC

Call to Order

1. **Call for Quorum:** Pursuant to the Public Notice dated April 14, 2021, 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, Commissioner Roth, and Commissioner Katsel appearing via teleconference.

2. **Notice:** Notice was posted by Luanne Mansanares on April 14, 2021, at 1:00 p.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 March 19, 2021, Public Meeting. Commissioner Katsel verbally moved; Commissioner Roth verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Roth verbally voting aye, and Commissioner Katsel verbally voting aye.

Agency Reports

1. **Retailer of the Quarter:** Mr. Robert Woodson's presentation highlighted Hurry Up Fuel located in East Tucson. The presentation is attached for the official minutes.
2. **Director's Presentation:** Director Edgar gave a Legislative update pertaining to the Arizona Lottery, brief financial overview, and introduced new Deputy Director of Security and Regulatory Division, Mr. Todd Terrell. The presentation is attached for the official minutes.
3. **Financial Report:** Mr. Russ Harben presented financial information for FY21, overall sales with the new projections and financial status.

Chair Weintraub inquired if the most recent increase in sales is tied to the stimulus check.

Mr. Harben informed the Commission that the Arizona Lottery has not done a formal study. At this time there is not a clear connection between increased sales and the time stimulus checks are issued. As a general standpoint, there is probably some impact. Director Edgar also informed the Commission that customers are not driving to work, going out to bars and restaurants so their entertainment dollars are being conserved. Therefore, the Lottery is their entertainment source. However, as bars, restaurants, and other entertainment begin to reopen, a decrease in sales may occur.

Chair Weintraub stated he has seen an increase in restaurant patrons and it will be interesting to see what lottery sales will be. The presentation is attached for the official minutes.

4. **Products & Marketing Update:** Mr. Chris Rogers presented information on Lottery's return on investment, player's club, summer jackpot campaign and the FY21 - FY22 advertising campaigns and promotions. The presentation is attached for the official minutes.
5. **3rd Quarter Product & Sales Review** – No Presentation
6. **New Games 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: *Electric 7s* #1330, *Treasure Hunt* #1332, and *Wild Bingo* #1333. 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: #1330, #1332, and #1333. Commissioner Katsel verbally moved, Commissioner Roth verbally seconded. Chair Weintraub verbally voted aye, Commissioner Roth verbally voted aye, and Commissioner Katsel verbally voted aye. The vote was unanimous and the motion carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant tab game profiles: *Cash to Win* #145, *Star Spangled Heroes* #146, *Quick Cash* #1055, *One More Round* #1056, *Make Me A Winner* #1057, and *All In* #1058. 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 tab game profiles: #145, #146, #1055, #1056, #1057 and #1058. Commissioner Roth verbally moved, Commissioner Katsel verbally seconded. Chair Weintraub verbally voted aye, Commissioner Roth verbally voted aye, and Commissioner Katsel verbally voted aye. The vote was unanimous and the motion carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new promotion profile: *Summer Jackpot Promotion Profile* #108. 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 promotion profile: #108. Commissioner Katsel moved, Commissioner Roth verbally seconded.

Chair Weintraub asked the Lottery if the second chance promotions are helpful?

Director Edgar informed the Commission that the promotions are extremely helpful. They drive the player's club uptick and the Lottery is able to track players and tickets and the promotions increase sales.

Chair Weintraub asked if there is any further discussion. There were no responses and the vote continued with Chair Weintraub verbally voted aye, Commissioner Roth verbally voted aye, and Commissioner Katsel verbally voted aye. The vote was unanimous and the motion carried.

Call to the Public

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

Chair Weintraub asked if anyone else would like to speak before the Commission. There were no responses from the public.

Announcements

The next Commission meeting will be held May 21, 2021, at 10:00 a.m.

Adjournment

Chair Weintraub entertained a motion to adjourn. Commissioner Katsel verbally moved, Commissioner Roth verbally seconded. Chair Weintraub verbally voted aye, Commissioner Roth verbally voted aye, and Commissioner Katsel verbally voted aye. The vote was unanimous and the motion 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
May 23, 2021

Director’s Presentation

Financial Report Presentation

Products & Marketing Update Presentation

New Game Introduction – No Presentation

The following games were introduced since the last commission meeting: *Red Ball Tripler #1279, Money Maker #1308, Millionaire Maker #1316 and Jumbo Bucks #1320.*

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.

Date Ended	Price Point	Game No.	Game Name	Beginning Inventory	% Sold through 5/7/21
4/24/2021	\$2	1223	Easy as 123	1,920,450	91%
4/27/2021	\$2	1258	Red Hot 7s	4,830,300	98%

ATTACHMENT A

New Business Item #1
Instant Scratch Game Profiles
Report to Arizona Lottery Commission
May 21, 2021

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 is new instant scratch game profiles: *Celebrando Dia de los Muertos #1328*, *White Elephant #1334*, *Holiday Cash Drop #1335*, *50X Cash #1339* and *Wild Cherry Crossword #1340*.

Celebrando Dia de los Muertos #1328. This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 1.8 million tickets.

White Elephant #1334. This \$1 game has a top prize of \$500 and will be printed at a quantity of approximately 4.5 million tickets.

Holiday Cash Drop #1335. This \$2 game has a top prize of \$10,000 and will be printed at a quantity of approximately 2.6 million tickets.

50X Cash #1339. This \$20 game has a top prize of \$500,000 and will be printed at a quantity of approximately 3.2 million tickets.

Wild Cherry Crossword #1340. This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 9.6 million tickets.

Attachments (Commissioners only)

New Business Item #2
2021 Powerball® New Year's Rockin' Eve Promotion Profile #109
Report to Arizona Lottery Commission
May 21, 2021

This report has been provided to the Lottery Commission regarding the 2021 Powerball® New Year's Rockin' Eve 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: 2021 Powerball® New Year's Rockin' Eve Profile #109.

2021 Powerball® New Year's Rockin' Eve Promotion Profile #109

Starting August 1, 2021 players will be able to enter winning and non-winning tickets from designated draw games for a chance to win cash and merchandise prizes.

Attachments (Commissioners only)