

PUBLIC MEETING OF THE ARIZONA LOTTERY
Commission Minutes of January 21, 2022, Meeting

PRESIDING Chair Jeff Weintraub (Teleconference)

COMMISSIONERS Debra Roth, and Julie Katsel (Teleconference)

LOTTERY Executive Director Gregory Edgar; Russ Harben, Deputy Director of Operations; Todd Terrell, Deputy Director of Security and Regulatory Division; Greg Chmielewski, Deputy Director for Performance and Strategic Initiatives; Chris Rogers, Deputy Director of Products and Marketing; Sherri Zendri, Deputy Director of Legal Services; Raynie Hosto, Deputy Director of Customer Service and Sales (Teleconference)

Shelby Alessi, Debra Andrego, Serena Arlotta, Mary Cimaglio, Anjali Dang, Ivy Gilio, John Gilliland, Karla Henriksen, Holly Hichens, Susan Kalember, Luanne Mansanares, Cheyenne McMurtry, Robin Peters, Jacob Rusywick, Allyson Saltford, Lynda Sellers, Devin Slayton, Kathleen Syms, Art Uthaisri, Steven Wood. (Teleconference)

GUESTS Attorney General Representative: Pamela (Linnins) Peiser (Teleconference)
Scientific Games Representatives: Topper Wilson, and Julio Dieppa (Teleconference)
Pollard Banknote Limited Representatives: Wes Brown, and Brad Thompson (Teleconference)
Owens Harkey Representatives: Jessica Guffey, Noelle Hobaica, Ariana Moreno, Olivia Zurawin, and Angie Vollmers (Teleconference)

PUBLIC

Call to Order

1. **Call for Quorum:** Pursuant to the Public Notice dated January 19, 2022, the Public Meeting of the Arizona State Lottery Commission was called to order at 10:01 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 Lisa Schartz on January 19, 2022, at 3:30 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 January 21, 2022, 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. The vote was unanimous and the motion carried.

Agency Reports

1. **Director's Presentation:** Director Edgar presented information on the beneficiary focus of the month Big Brothers Big Sisters of Flagstaff and a quarterly report that is submitted from the Arizona Lottery to the Governor's office. The quarterly report includes information regarding beneficiary transfers, biggest wins last quarter, biggest concerns, and what to expect next quarter. Director Edgar provided information on holiday instant sales, \$50 instant scratch ticket, and provided a legislative update as it pertains to the Arizona Lottery.

Commissioner Katsel inquired if the HB2510 Rural Management Areas, \$50 million for DWR for water management passes how it will be funded and do the funds come from money that's already set aside for something else.

Director Edgar informed the Commission how he interprets the bill. The \$50 million would come from the Arizona Lottery's existing waterfall. At the end of last year, the state took bonds that the Arizona Lottery was responsible for, and set up a new trust to pay the bonds. That money that taken from the general fund to pay for the bonds. The money was placed back in the general fund by the money created by the Arizona Lottery. Essentially the Arizona Lottery will create the funds for the \$50 million dollars.

The presentation is attached for the official minutes.

2. **Financial Report:** Mr. Russ Harben presented the financial information with overall sales, new projections, and financial status with a comparison of last year's sales. The presentation is attached for the official minutes.
3. **2nd Quarter Products & Sales Review – No Presentation**
4. **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: *Triple 3* #1369, *Diamond 9s* #1371, and *Flaming Hot Slingo*® #1373. 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: #1369, #1371, and #1373. Commissioner Roth verbally moved, Commissioner Katsel verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Roth verbally voting aye, and Commissioner Katsel verbally voting 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 Go* #1067 and *Cheers to You* #1068. 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 profiles: #1067, and #1068. 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. The vote was unanimous and the motion carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding amended retail promotion profile: *Scratcher and Draw Game Retailer Selling Incentive* #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 amended retailer profile: #100. Commissioner Roth verbally moved, Commissioner Katsel verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Roth verbally voting aye, and Commissioner Katsel verbally voting 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.

Announcements

The next Commission meeting will be held February 18, 2022, at 10:00 a.m.

Adjournment

Chair Weintraub entertained a motion to adjourn. Commissioner Katsel verbally moved, Commissioner Roth verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Roth verbally voting aye, Commissioner Katsel verbally voting aye, and Commissioner Crump verbally voting 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.