

PUBLIC MEETING OF THE ARIZONA LOTTERY
Commission Minutes of November 18, 2022, Meeting

PRESIDING Chair Jeff Weintraub (Teleconference)

COMMISSIONERS Julie Katsel, Alec Thomson, and Trent Crump, (Teleconference)

LOTTERY Executive Director; Gregory Edgar, Sherri Zendri; Deputy Director of Legal Services (In Person), and Russ Harben; Deputy Director of Operations, Todd Terrell (Teleconference)

Luanne Mansanares, Jacob Rusywick, Orion Steen, and John Gilliland (In Person) Anjali Dang, Art Uthaisri, Debra Andregio, Jenny Lewis, Karla Henriksen, Kathleen Syms, Lisa Schartz, Lynda Sellers, Mary Cimaglio, Michael Jennings, Robin Peters, Shelby Alessi, Steven Wood, Susan Kalember, Todd Terrell, Vicki Neslon, and Victor Mendoza (Teleconference)

GUESTS Attorney General Representative: Pam Peiser (Teleconference)

Scientific Games Representatives: Topper Wilson, and Gabriel Reed (Teleconference)

Pollard Banknote Limited Representatives: John Papile, Wes Brown, and Travis Priest (Teleconference)

Owens Harkey Representatives: Jessica Guffy and Ariana Moreno (Teleconference)

PUBLIC Brian Hemmerle, Andrew Gill and (Teleconference)

Call to Order

1. **Call for Quorum:** Pursuant to the Public Notice dated November 9, 2022, the Public Meeting of the Arizona State Lottery Commission was called to order at 10:02 a.m. by Chair Jeff Weintraub.

A quorum was present, with Chair Weintraub, Commissioner Katsel, and Commissioner Thomson appearing via teleconference.

(At 10:04 am Commissioner Crump appeared via teleconference)

2. **Notice:** Notice was posted by Luanne Mansanares on November 14, 2022, at 1:50 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 October 21, 2022, Public Meeting. Commissioner Katsel verbally moved; Commissioner Thomson verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Katsel verbally voting aye, and Commissioner Thomson verbally voting aye. The motion carried.

4. *10:04am Commissioner Crump joined the meeting via teleconference.*

Agency Reports

1. **Director's Presentation:** Director Edgar presented information on the beneficiary focus of the month, Habitat for Humanity Northern Arizona, and provided financial information generated by the world record Powerball® jackpot. Director Edgar concluded his presentation with election information pertaining to the Governor elects transition and the launch of two new Arizona Lottery products; Ultimate Playlist and Lucky Lounge. The presentation is attached for the official minutes.
2. **Financial Report Presentation:** Russ Harben introduced Brian Hemmerle from Henry+Horne. Mr. Hemmerle presented Henry+Horne's audit report on the Arizona Lottery's financial statements. Russ Harben finished the presentation with the current financial results. Providing information on the overall sales, new projections, and financial status with a comparison of last year's sales. The presentation is attached for the official minutes.

Commissioner Katsel commented that the Arizona Lottery transitions smoothly when sharing incredible news about exceeding sales projections. Commending the Arizona Lottery on an extraordinary job by exceeding the sales projections. Director Edgar thanked Commissioner Katsel for her comments and informed the Commission that the Arizona Lottery is very proud of all of its accomplishments.

3. **New Games Introduction – No Presentation**

New Business

1. Chair Weintraub opened the discussion of the future election of the Commission Chair and Vice Chair.

Director Edgar informed the Commission that the Arizona Lottery would like to move forward by placing it on the January Commission agenda. To nominate and elect a new chair and vice chair.

Sherri Zendri clarified to Chair Weintraub that all discussions must be made publicly and may not be discussed amongst themselves.

Chair Weintraub informed Sherri Zendri to clarify he would never talk privately and no more than two members would ever get together privately without notice.

Commissioner Julie Katsel informed the Commission that her term is ending and she will not be in a position to serve in a leadership role in this upcoming year. Director Edgar informed Commissioner Katsel that the Governor's office is working on a replacement and thanked her for her service. Chair Weintraub informed Commissioner Katsel that she will be difficult to replace and we appreciate your service.

Commissioner Trent Crump informed the Commission that he has given notice and will be stepping down as Commissioner at the end of the year. Director Edgar informed the Commission that the Governors' office is also working on a replacement for Commissioner

Crump's law enforcement position and thanked him for all his efforts during this difficult time. Commissioner Crump informed the Commission that he would stay on until a replacement has been found.

Commissioner Katsel asked if there is a term limit on the Chairmanship and if it's possible to re-elect the current Chair because he is doing such a great job. Director Edgar informed the Commission that there is no term limit and it is a possibility as long as the chair is willing.

Chair Weintraub stated that the election of Chair and Vice Chair will be on the agenda next month and continued discussion with the next agenda item

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant scratch game profiles: *\$50,000 Lucky Dog #1403*, *Wild Cherry Doubler #1405*, *Mystery Multiplier #1407*, *Bingo Star #1408*, and *Cash Drop #1409*. 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: #1403, #1405, #1407, #1408 and #1409. Commissioner Crump verbally moved; Commissioner Thomson verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Katsel verbally voting aye, Commissioner Thomson verbally voting aye and Commission Crump verbally voting aye. The motion carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new promotion profile: *Multiplier Mania 2023 #122*. 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: #122. Commissioner Katsel verbally moved; Commissioner Thomson verbally seconded. The vote was unanimous with Chair Weintraub verbally voting aye, Commissioner Crump verbally voting aye, Commissioner Crump verbally voting aye and Commission Katsel verbally voting aye. 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 in person on December 16, 2022, at 10:00 a.m. Director Edgar informed the Commission that following the Commission meeting on December 16, 2022 the Arizona Lottery will have a holiday celebration with its employees. The members of the Commission are invited to attend as long as the members of the Commission stay separate and follow the open public meeting laws.

Chair Weintraub requested that Commissioner Newman be informed of the holiday celebration and a notice be posted for the public that the Commission will be at this event.

Chair Weintraub asked if there any other announcements. There were no responses.

Adjournment

Chair Weintraub asked if he has the power to adjourn the meeting.

Luanne Mansanares informed the Commission that the verbiage was approved by the Office of the Attorney General.

Chair Weintraub asked Sherri Zendri if it was ok to adjourn she said yes, you have the power.

Chair Weintraub stated with nothing remaining on the agenda, we are adjourned. The meeting adjourned at 10:47 am.

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

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.

The Commission reserves the right to change the order of items on the agenda.