

January 19, 2024 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 January 19, 2024, at 10:00
a.m., in the Arizona Lottery Board Room, located at 4740 East University Drive, Phoenix, Arizona. <u>The Public may join the meeting in person and will have physical access to the Arizona Lottery Board Room fifteen (15) minutes before the start of the meeting.</u> The Public telephone or Internet through Google HangoutsoMeet.by

The following are instructions for joining the meeting via Google Hangouts Meet: Join the meeting online by entering the following link into your URL

meet.google.com/guc-uece-uyy

<u>OR</u>

Join the meeting US Toll-Free by phone at 406-686-2820 when prompted, enter Access Code 846 044 593 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 December 15, 2023, Public Meeting

Agency Reports

- 1. Executive Report Presentation
- 2. Retailer of the Quarter Presentation
- 3. Financial Report Presentation
- 4. 2nd Quarter Products & Sales Review No Presentation
- 5. New Games Introduction No Presentation

New Business

1. Discussion and possible action on new instant scratch game profiles: *Bonus Bucks* #1450, *Spicy Hot Cash* #1451, and *Cash Plus* #1452.

Call to the Public

Consideration and discussion of comments from the public. 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 on February 16, 2024, 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.

<u>Notice</u>

Any amendments or additions to the agenda will be made available at least 24 hours prior to the meeting.

Dated this 11th day of January 2024

Alec Esteban Thomson CEO & EDD

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*

PUBLIC MEETING OF THE ARIZONA LOTTERY

Commission Minutes of December 15, 2023, Meeting

- **PRESIDING** Chair Jeff Weintraub (In-Person)
- **COMMISSIONERS** Tereza Fritz, Tim Baumgarten, (In-Person), Vice Chair Todd Newman, and Julie Katsel (Teleconference)
- LOTTERY Alec Thomson; Executive Deputy Director, Russ Harben; Deputy Director of Operations & Chief Financial Officer, Christopher Rogers, Deputy Director of Products & Marketing, Todd Terrell; Deputy Director of Security & Regulatory (In-Person), Mia Lemke, Human Resources, and Kome Akpolo, Legal Counsel (Teleconference)

Luanne Mansanares, Jacob Rusywick (In-Person) Shelby Alessi, Debra Andrego, Mary Cimaglio, Mark Crowe, Anjali Dang, Michael Donovan, Greg England, Karla Henriksen, Susan Kalember, Mia Marquez, Cheyenne Mcmurtry, Vicki Nelson, Sam Shipps, Orion Steen, Adam Tollefson, Jennifer Wenger, Steven Wood(Teleconference)

GUESTS Attorney General Representatives: Lena Kalkbrenner (Teleconference)

Scientific Games Representatives: Steve Smith (In-Person), Topper Wilson, Gabriel Reed, and Hannah Balamut (Teleconference)

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

Owens Harkey Representatives: Jessica Guffey, Melina Kiser and Anna Garza (Teleconference)

IGT: Nicholas Schell (Teleconference)

PUBLIC

Call to Order

- 1. **Call for Quorum:** Pursuant to the Public Notice dated December 06, 2023, 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 Fritz, Baumgarten (appearing in person), Vice Chair Newman, and Commissioner Katsel (Teleconference)
- 2. Notice: Notice was posted by Luanne Mansanares on December 07, 2023, 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 November 17, 2023, Public Meeting minutes. Commissioner Baumgarten moved; Commissioner Katsel seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Katsel, and Commissioner Baumgarten voting aye.

The motion carried.

Agency Reports

- 1. **Executive Report** Executive Deputy Director Alec Thomson presented information on the Gives Back Beneficiary of the Month.
- 2. **Products & Marketing Update** Presented by Chris Rogers
- 3. **Financial Report** Presented by Russ Harben
- 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: *CATAN*® #1447, and *It's All Cash* #1449. There was no response from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the orders and authorize the Agency to issue the orders regarding new instant scratch game profiles: #1447, and #1449. Commissioner Katsel moved; Commissioner Baumgarten seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Katsel, and Commissioner Baumgarten voting aye. The motion carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant tab game profiles: *Patriot Payday* #194, *Freedom Reign* #195, *Arizona Nights* #196, *Cash to Win* #197, *Aerial Cash* #198, *Lucky Shot* #199, *Double Scoop Dollars* #1101, *Chalice Cash* #1102, *Coffee Beans* #1103, *Captain Cocktail* #1104, *Brilliant Bars* #1105, and *Dragon's Stash* #1106. There was no response from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the orders and authorize the Agency to issue the orders regarding new instant tab game profiles: #194, #195, #196, #197, #198, #199, #1101, #1102, #1103, #1104, #1105, and #1106. Commissioner Baumgarten moved, and Commissioner Fritz seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Katsel, and Commissioner Baumgarten voting aye. The motion carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new promotion game profile: *Arizona Adventure 2024* #132. There was no response from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Agency to issue the order regarding new promotion profile: #132. Commissioner Fritz moved; Commissioner Katsel seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Katsel, and Commissioner Baumgarten voting aye. The motion carried.

Call to the Public

Chair Weintraub invited members of the public to speak before the Commission. There was no response.

Announcements

The next Commission meeting will be held in person on January 19, 2024, at 10:00 a.m. Chair Weintraub asked if there were any other announcements. There was no response.

Adjournment

Chair Weintraub stated with nothing remaining on the agenda, we are adjourned. The meeting adjourned at 10:35 a.m.

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.

<u>Notice</u>

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Agency Reports Report to Arizona Lottery Commission January 19, 2024

Executive Report – Presentation

Retailer of the Quarter – Presentation

Financial Report – Presentation

2nd Quarter Products & Sales Review – No Presentation

New Game Introductions – No Presentation

New Game Introductions

The following Scratchers games were introduced since the last commission meeting: *5X* #1432, *10X* #1433, *20X* #1434, *50X* #1435, and *Bonus Word Crossword* #1439.

More information on these games are 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 1/8/24
12/9/23	\$2	1404	7-11-21	2,055,900	87%
1/8/24	\$2	1333	Wild Bingo	8,509,950	72%
1/8/24	\$5	1346	Wild Cash	3,510,240	92%
1/8/24	\$5	1355	The Game of LIFE TM	3,418,740	88%
1/8/24	\$2	1361	Red Hot 7s	5,116,050	95%
1/8/24	\$3	1379	Crisscross Cash	3,018,000	89%
1/8/24	\$20	1380	100X the Cash	3,238,860	79%
1/8/24	\$5	1384	Bullseye Bingo	4,151,820	76%
1/8/24	\$10	1385	Hit it Big	2,138,520	71%
1/8/24	\$3	1392	One Word Crossword	6,267,100	67%
1/8/24	\$1	1426	Holiday Cash	3,476,100	55%
1/8/24	\$2	1427	Snow Much Fun	2,191,500	54%
1/8/24	\$3	1428	Naughty or Nice Crossword	2,132,800	55%
1/8/24	\$5	1429	Snow Globe Cash	2,392,800	52%
1/8/24	\$10	1430	25 Days of Winning	1,760,400	56%

ATTACHMENT A

Dashboard Report January 2024

SERVING ARIZONA FOR 42 YEARS



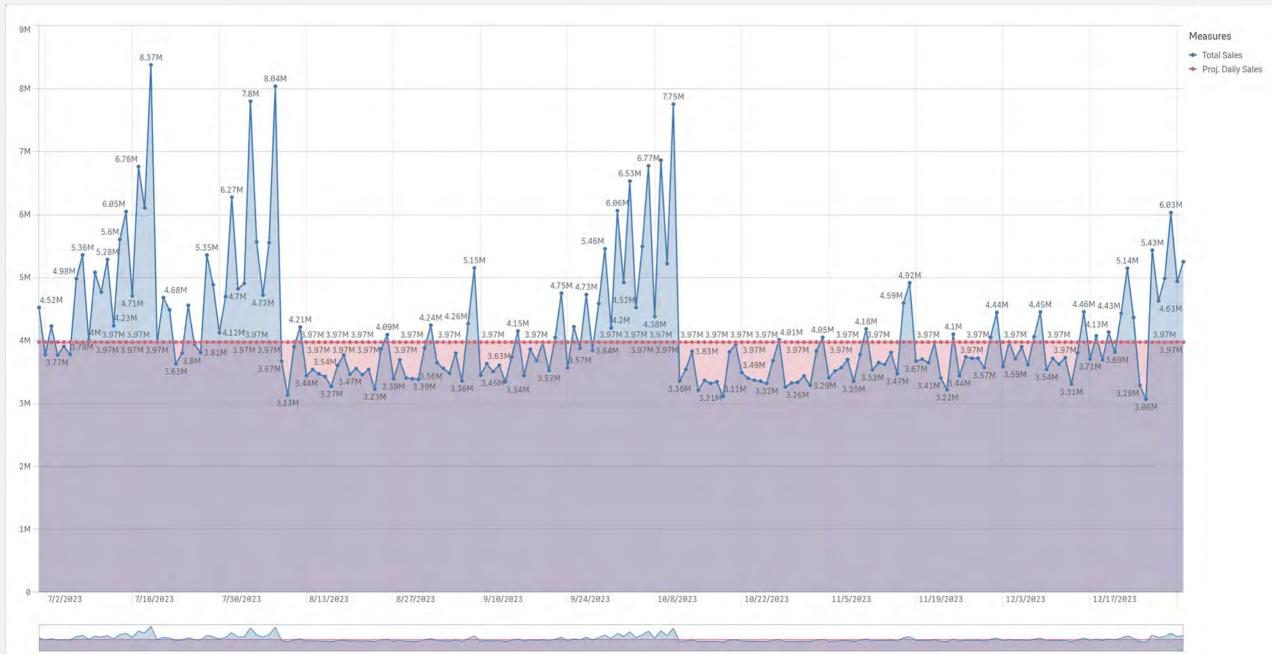


Dashboard

4						
10. vs. Proj (FYTD)	96%		I Sales (F 1,671	vs. PYTD)%	
1			Draw Sales : From	11		1
72.23%	Draw Sales \$269,099,117 ^{34,9%} *Total Sales	9.54%	7/1/2018 - To 1/1/2024 Fast Play Sales : From 7/1/2018 - To	- <mark>6.</mark> 79%	Instant Sales \$502,572,638 ^{65,1%} \$total Sales	-2.21%
vs. Proj (FYTD)		vs. PYTD	1/1/2024	vs. Proj (FYTD)		vs. PYTD
114.94%	Multi-State \$192,132,168 ^{71.4} %	6.11%		-6.77%	Scratchers Sales \$495,464,738 ⁹⁸⁸⁸	-2.21%
vs. Proj (FYTD)		vs. PYTD		vs. Proj (FYTD)		vs. PYTD
15.02%	In-State \$50,208,654 ^{16,7%} \$50,208,654	21.16%	Scratcher Sales :	-14.40%	Charitable Pulltab Sales \$3,913,260 ^{8,33}	-9.42%
vs. Proj (FYTD)	φ30,200,034%DrawSales	vs. PYTD	- From 7/1/2018 - To 1/1/2024	vs, Proj (FYTD)	φ3,913,200 XInstant Sales	vs. PYTD
			Pulltab Sales : From	1		
-13.49%	Quick Draw \$1,362,814 ^{8.5%} _{%Draw Sales}	24.23%	7/2/2018 - To 12/28/2023	2.30%	Age Rest. Pulltab Sales \$2,357,640 ^{9,5#}	11.26%
vs. Proj (FYTD)		vs. PYTD		vs. Proj (FYTD)		vs. PYTD
17.40%	Fast Play \$25,395,481 ^{9,4%} \$25,395,481 ^{9,4%}	15.11%		-4.18%	Other Pulltab Sales \$837,000 ^{6.2%}	4.03%
vs. Proj (FYTD)		vs. PYTD		vs. Proj (FYTD)		vs. PYTD



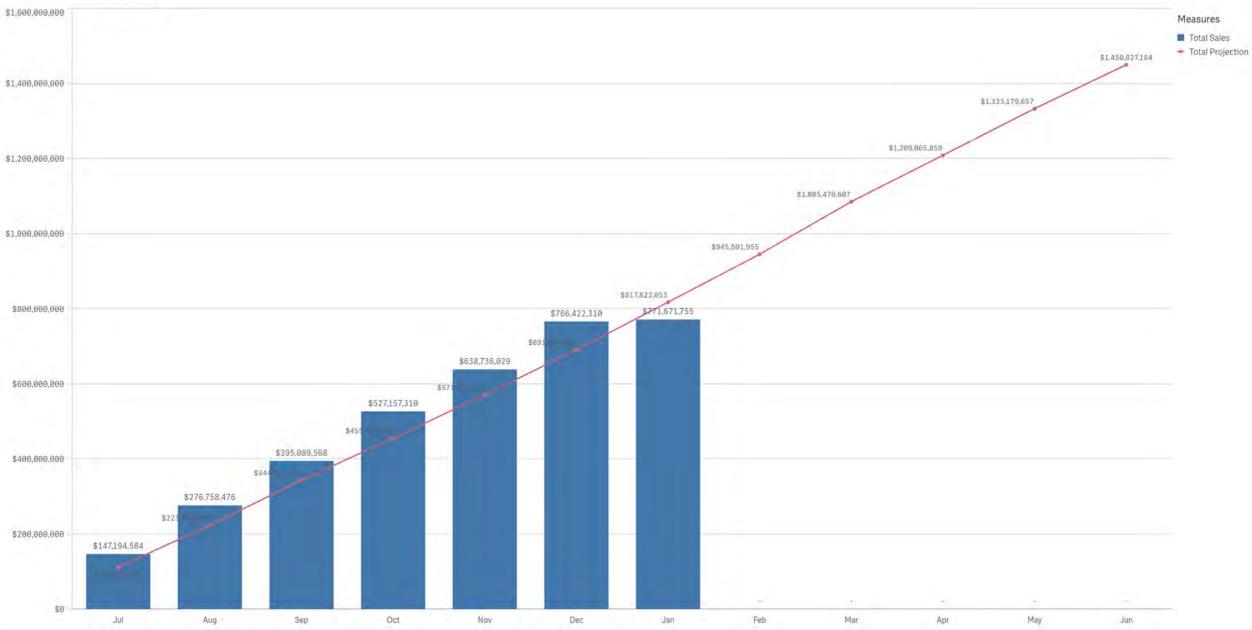
Daily Sales vs. Goal





YTD Sales vs. Projection

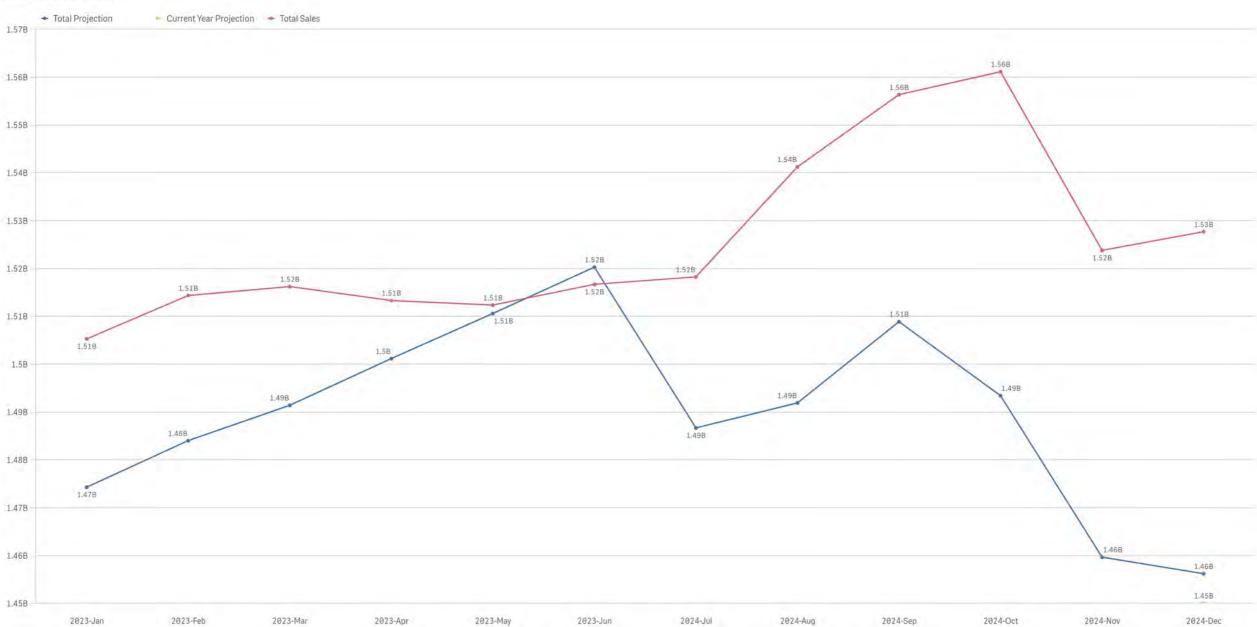
FY 2024 Total Sales vs. Projection





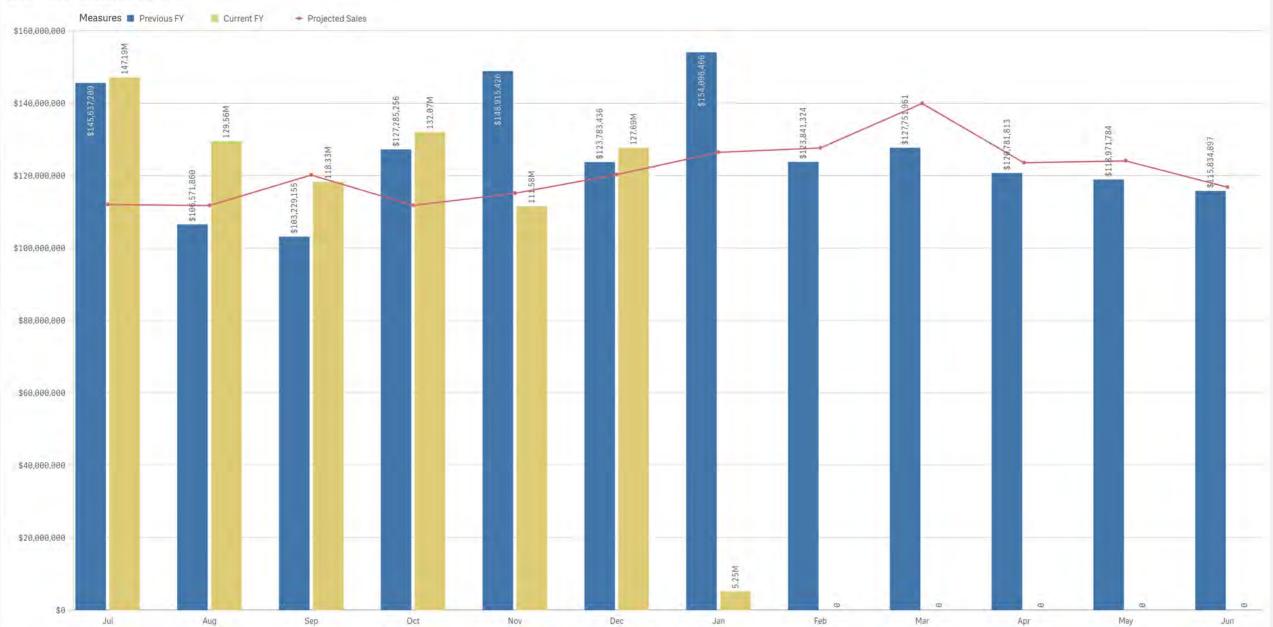
Rolling 12 Month Total Sales

Rolling 12 Month Sales





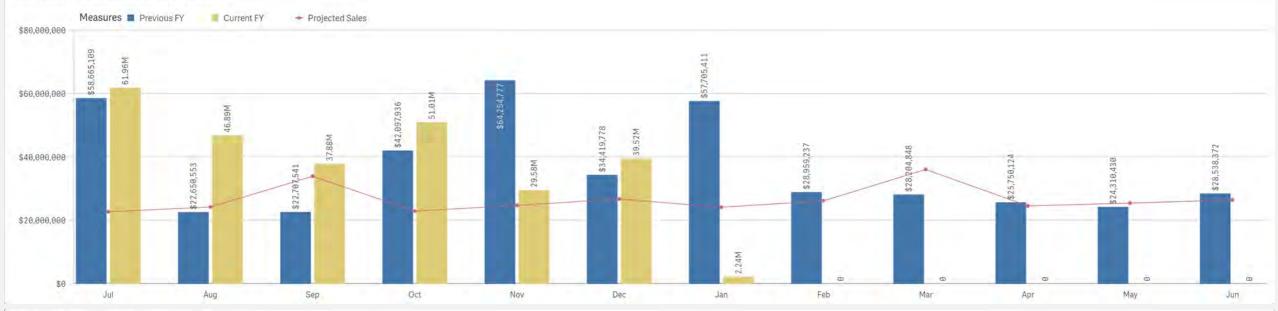
Sales FY 2023 vs. 2024 vs. Projection



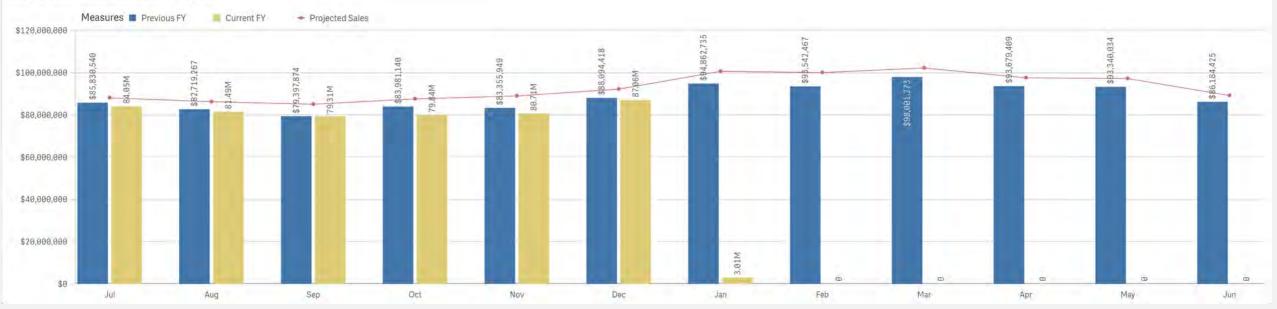


Draw and Instant Games

Draw Sales FY 2023 vs. 2024 vs. Projection



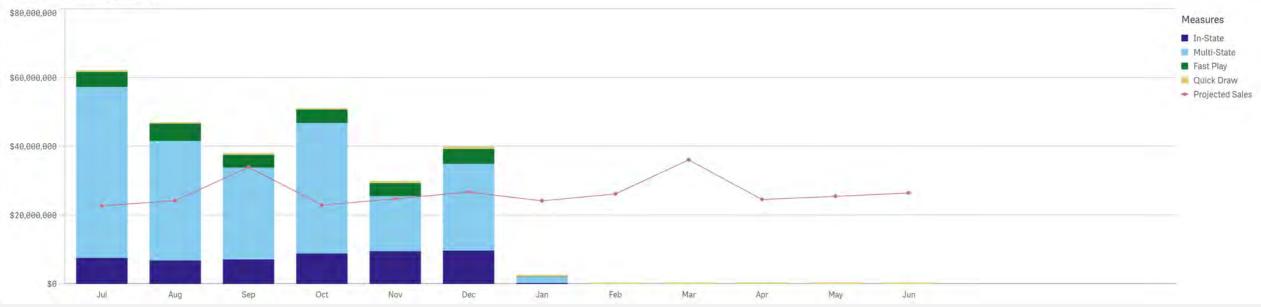
Instant Sales FY 2023 vs. 2024 vs. Projection

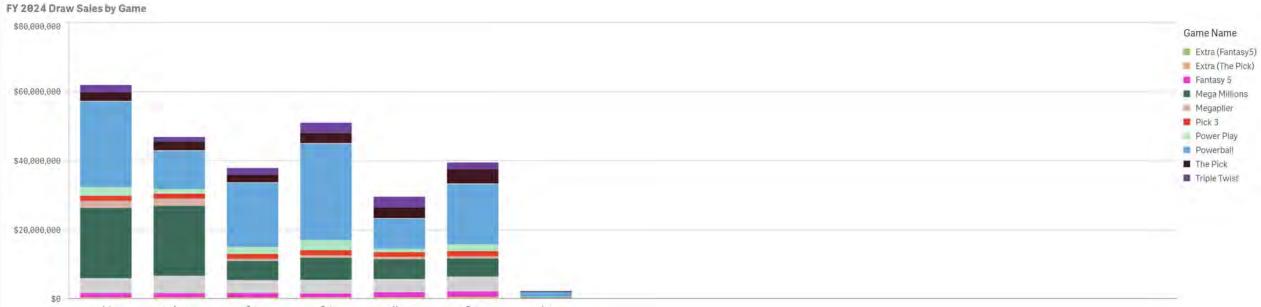




Draw Sales by Month

FY 2024 Draw Sales by Game Type

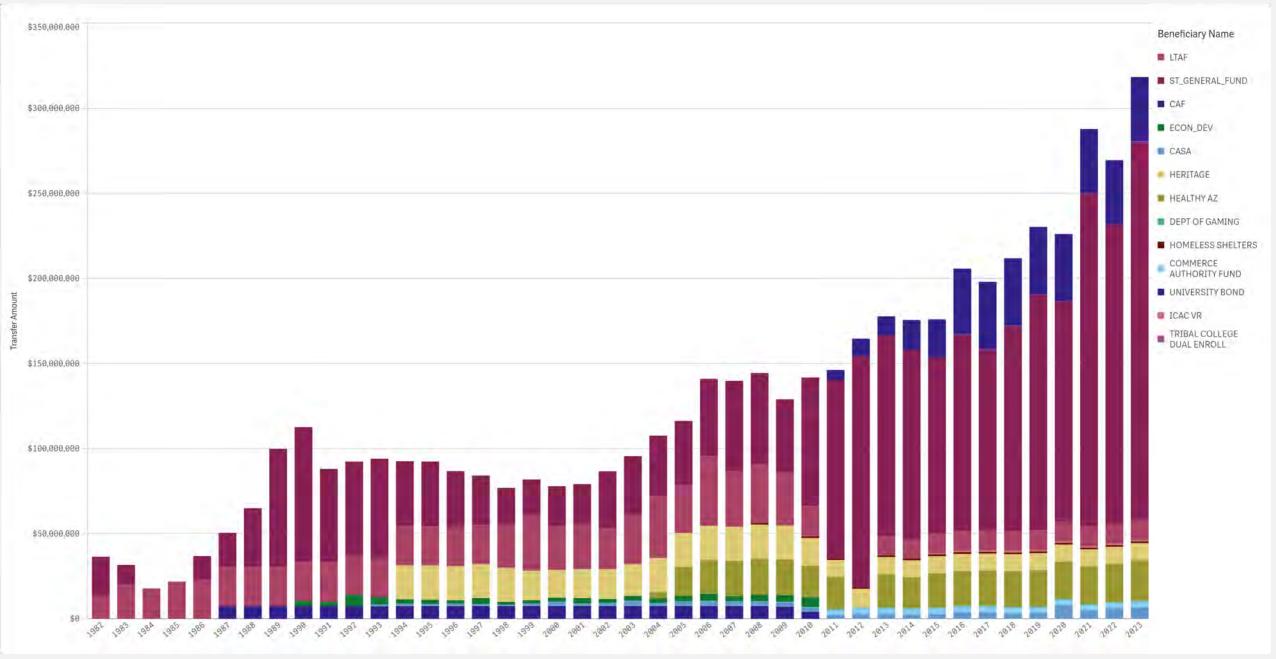




Jul Aug Sep Oct Nov Dec Jan

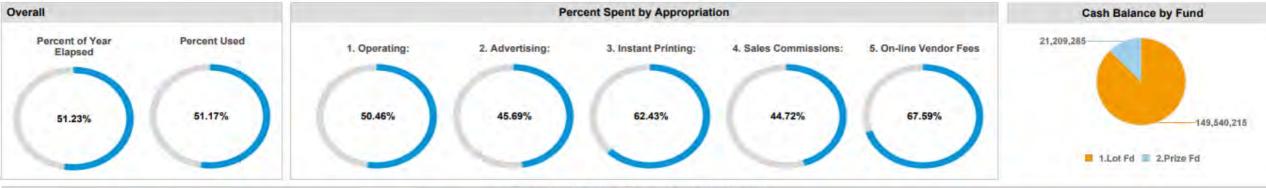


Transfer Amount by Beneficiary





FY24 Year-to-date Financial Status



Budget by Appropriation Type and Object Class

Sales Goal: \$1.45 Billion	Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used	Beneficiary Transfer Goal: \$278 Million
	1. Operating:	0000 - Appropriation Budget	10,475,200		-	10,475,200	(
500,000,000 -		6000 - Personal Services		2,347,097	-	-2,347,097		350,000,000
		6100 - Employee Related Expenditures	-	889,768		-889,768		
		6200 - Professional And Outside Services	÷ .	260,015	347,825	-607,840		
400,000,000		6500 - Travel - In-State		12,369	1,885	-14,255		200 000 000
		6600 - Travel - Out-Of-State		18,287	14,413	-32,700		300,000,000 -
		7000 - Other Operating Expenditures		680.371	624,569	-1,304,940		
00,000,000 -		8500 - Non-Capital Equipment		3,903		-3,903		
		9100 - Transfers Out		45,993	38,769	-84,761		250,000,000 -
663,577,000		Total:	10,475,200	4,257,803	1,027,461	5,189,936	50.46%	
00 000 -	2. Advertising:	0000 - Appropriation Budget	15,500.000	1		15,500,000		
0,000,000 -		7000 - Other Operating Expenditures	-	4,125,255	2,956,806	-7,082,061		140.043.625
		Total:	15,500,000	4,125,255	2,956,806	8,417,939	45.69%	200,000,000 -
	3. Instant Printing:	0000 - Appropriation Budget	37,965,000		974 C 64 C	37,965,000		
000,000,000 -		7000 - Other Operating Expenditures	-	11,695,219	12,008,135	-23,703,354		
		Total:	37,965,000	11,695,219	12,008,135	14,261,646	62.43%	150,000,000 -
	4. Sales Commissions:	0000 - Appropriation Budget	97,086,500	-	-	97,086,500		130,000,000
600,000,000 -		7000 - Other Operating Expenditures		41,960,045	1,455,455	-43,415,500		
		Total:	97,086,500	41,960,045	1,455,455	53,671,000	44.72%	
	5. On-line Vendor Fees:	0000 - Appropriation Budget	17,753,633		-	17,753,633		100,000,000 -
400,000,000 - 700,402,040		6200 - Professional And Outside Services		9,468,660	2,531,340	-12,000,000		
		Total:	17,753,633	9,468,660	2,531,340	5,753,633	67.59%	107,487,885
		Grand Total:	178,780,333	71,506,982	19,979,197	87,294,155		50 000 000
200,000,000 -			1.1.1.1.1.1.1	Contraction of the	and the second			50,000,000 -

Lottery Fund

Lottery Fund

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ATTACHMENT B

FY24 2nd Quarter Product and Sales Report

The first section of this report focuses on individual product performance and is provided by the Products team. In the second section, Steve Wood, Interim Sales Director, has provided information on retailer sales and rankings in several different categories. Staff is available to answer any questions the Commission may have.



Katie Hobbs Governor

Alec Thomson CEO & EDD

Arizona Lottery FY2024 – Product Review Mid-Year Review – July 2023 through December 2023

As part of a quarterly review process, we report to the agency on the performance of the individual Lottery products including draw, instant and Fast Play games. The information contained in this report includes the following:

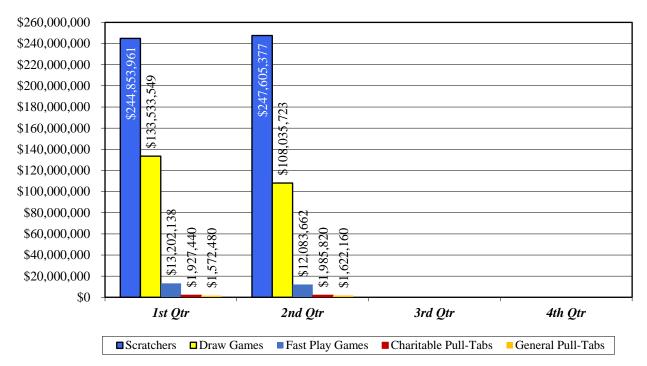
- General overview midway through the fiscal year
- A top-line review of sales performance of each product
- A summary review by price point for the instant games
- A top down look at the top performing instant games by revenue and tickets
- A review of new game introductions and game endings

General Overview

Sales midway through FY24 reached \$766,422,310, an increase of 1.5% over the same period last fiscal year. The breakdown by product is as follows:

				Mkt
	<u>1st Quarter</u>	2nd Quarter	<u>Total</u>	<u>Share</u>
Scratchers ^{®1}	\$244,853,961	\$247,605,377	\$492,459,338	64.25%
Draw Games	\$133,533,549	\$108,035,723	\$241,569,272	31.52%
Fast Play Games	\$13,202,138	\$12,083,662	\$25,285,800	3.30%
Charitable Pull-Tabs	\$1,927,440	\$1,985,820	\$3,913,260	0.51%
General Pull-Tabs	\$1,572,480	\$1,622,160	\$3,194,640	0.42%
Total	\$395,089,568	\$371,332,742	\$766,422,310	

¹ Scratchers® is a registered service mark of the California Lottery.



As indicated in the chart above, the Scratchers contribution to total sales in the first half of the year represent 64.25%, while the market share for Draw games is 31.52%. This is a shift in the FY24 as the percentage of total sales has decreased for Scratchers, but increased for Draw games. Fast Play games represent 3.30% of total sales, and pull-tabs represent 0.93% of total sales. Sales detail by product is provided in Attachments A and B.

Charitable Pull-Tabs

The charitable pull-tab games program has 146 organizations currently licensed and selling tickets. Sales through the second quarter of the fiscal year reached \$3,913,260, a 9.5% decrease from the previous year.

General Pull-Tabs

The general pull-tab games program has 127 licensed retailers selling tickets. Sales through the second quarter of the fiscal year reached \$3,194,640, a 9.27% increase over the previous year.

Scratchers Games

Sales for Scratchers through the second quarter of the fiscal year totaled \$492,459,338, a decrease of 2.17% from the previous year.

Based on validations, players have earned more than \$361 million in prizes. The prizes paid calculated against the sales revenues equate to an average payout of 73.35%.

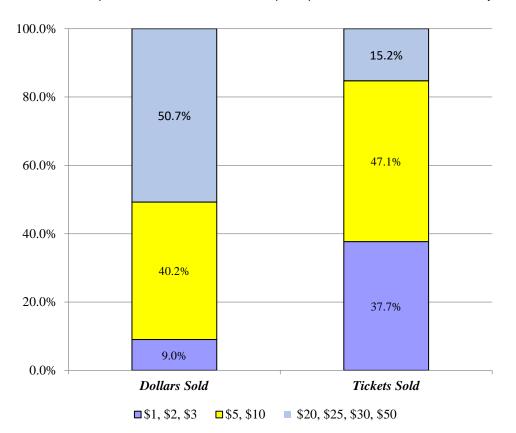
A total of 24 new games were introduced through the second quarter. Combined with the games carried forward, a total of 89 games contributed to the sales revenues.

Price Point	\$1	\$2	\$3	\$5	\$10	\$20	\$25	\$30	\$50	Total
# New Games	2	5	3	6	5	1	1	1	0	24
Carried Forward	3	12	6	17	15	5	1	4	2	65

During this same period, 13 games were ended. Two games were ended because the last top prize had been redeemed. The remaining games were ended as part of the standard quarterly game ending process, because either the games were out of inventory or the intended sales period had ended.

Sales by price point

Through the second quarter of the fiscal year, the category of \$20+ games represents 50.7% of Scratchers sales and 15.2% of tickets sold. The \$5-\$10 games represent 40.2% of Scratchers sales and 47.1% of tickets sold, the highest of the category. The \$1-\$3 games account for 9% of the Scratchers revenue and 37.7% of tickets sold. The chart below shows the breakdown of tickets and dollars for FY24. The charts on Attachment C show a comparable breakdown across all price points for the most recent five years.



Top 10 games

The Crossword and Bingo style games continue to be strong with more than \$101 million in sales, representing 20.54% of total Scratchers sales. In terms of dollars sold, three of the top ten games are Crossword or Bingo style games; they also represent five of the top ten games in terms of tickets sold. Sales for the \$50 game, *500X* (#1360) totaled more than \$54 million, representing 11.16% of total Scratchers sales.

The table below identifies the top 10 games in terms of sales revenue generated and total tickets sold through the second quarter.

	Top 10 games in sales re	ven	ue
	<u>Game</u>		<u>Sales</u> Revenue
\$50	1360 500X	\$	54,937,650
\$20	1400 \$230 Million Cash Explosion	\$	45,497,980
\$50	1401 Set For Life	\$	36,817,800
\$10	1411 Coffee House Crossword	\$	28,529,470
\$10	1416 Triple Red 7`s	\$	21,683,300
\$20	1402 24K GOLD	\$	21,432,460
\$20	1436 100X	\$	16,637,480
\$25	1421 Triple Bonus Crossword	\$	16,030,575
\$5	1395 Secret Agent Crossword	\$	15,277,830
\$10	1414 Win \$100,000	\$	14,864,440

	Top 10 games in tickets so	ld
	Game	Tickets <u>Sold</u>
\$2	1370 Crossword	3,741,737
\$5	1395 Secret Agent Crossword	3,055,566
\$10	1411 Coffee House Crossword	2,852,947
\$20	1400 \$230 Million Cash Explosion	2,274,899
\$10	1416 Triple Red 7`s	2,168,330
\$1	1405 Wild Cherry Doubler	2,164,521
\$2	1361 Red Hot 7s	2,091,541
\$2	1394 Money Ball Bingo	1,775,255
\$1	1426 Holiday Cash	1,677,292
\$5	1408 Bingo Star	1,674,570

Fast Play Games

Sales for Fast Play games through the second quarter of the fiscal year totaled \$25,285,800, a 15.13% increase over the previous year.





A total of 5 new games were introduced through the second quarter. Combined with the games carried forward, a total of 26 games contributed to the sales revenues.

Price Point	\$1	\$2	\$5	\$10	\$20	Total
# New Games	2	1	1	1	0	5
Carried Forward	4	5	6	4	2	21

During this same period, three games were ended because the intended sales period had ended.

Draw Games

Total draw games sales through the second quarter reached \$241,569,272, an increase of 8.4% over the same period last year.

Draw Games – Multi-State Games

Powerball – Sales through the second quarter of the year totaled \$119,972,166, an increase of 19.8% over the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$1.725 billion at the beginning of October 2023.

Mega Millions – Sales through the second quarter of the year totaled \$70,377,500, a decrease of 12.4% from the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$395 million at the beginning of December 2023.

Draw Games – In-State Games

Triple Twist™ – Sales through the second quarter of the fiscal year totaled \$13,482,552, an increase of 65.2% over the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$2.76 million at the beginning of December 2023.

The Pick™ – Sales through the second quarter of the year totaled \$19,226,434, an increase of 24.3% over the previous year. The jackpot was not hit in the second quarter of the fiscal year, reaching \$6 million at the end of December 2023.

Fantasy 5[™] – Sales through the second quarter of the year totaled \$8,691,692, a decrease of 9.7% from the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$342,000 in mid-November 2023.

Pick 3[™] – Sales through the second quarter of the year totaled \$8,462,476, an increase of 5.8% over the previous year.

Quick Draw Games

Sales through the second quarter of the year totaled \$1,356,452, a 24.28% increase over the previous year.

Two new games were introduced in the second week of December. Combined with the games carried forward, a total of 6 games contributed to the sales revenues.

One To Win – Sales through the second quarter of the year totaled \$294,280.

5/10/45 – Sales through the second quarter of the year totaled \$461,067.

Lucky Links[™] – Sales through the second quarter of the year totaled \$76,003.

5 In-A-Line[™] – Sales through the second quarter of the year totaled \$96,846.

Hi-Lo – Sales through the second quarter of the year totaled \$8,946.

Pick Your Bet – Sales through the second quarter of the year totaled \$10,384.

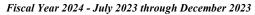
ARIZONA LOTTERY

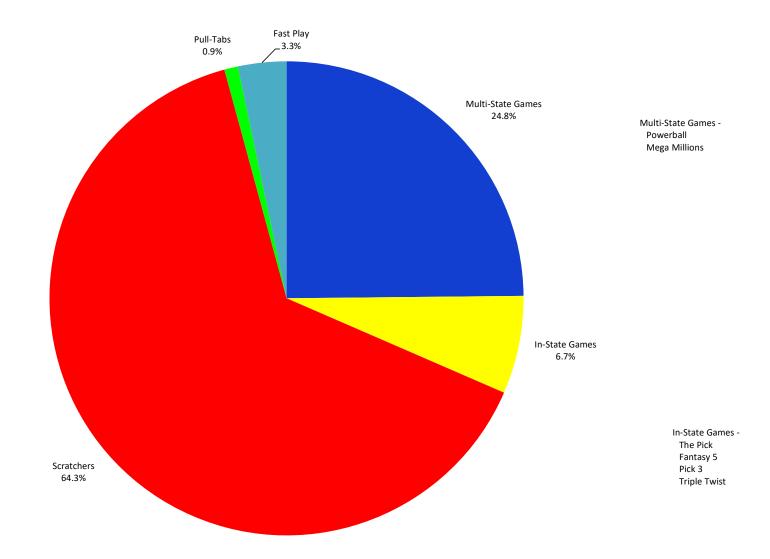
QUARTERLY SALES BY PRODUCT

Fiscal Year 2024 - July 2023 through December 2023

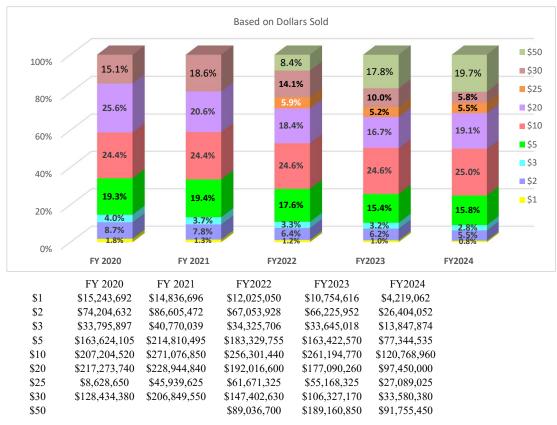
Month	Powerball	Mega Millions	The Pick	Fantasy 5	Pick 3	Triple Twist	Quick Draw	Total Draw Games	Fast Play	Scratchers	Charitable Pull-Tabs	General Pull-Tabs	Total Instant Games	Total	Market Share
July	\$27,262,813	\$22,432,718	\$2,721,934	\$1,348,241	\$1,377,457	\$2,192,782	\$254,219	\$57,590,164	\$4,372,086	\$84,054,174	\$678,120	\$500,040	\$85,232,334	\$147,194,584	19.2%
August	\$12,355,807	\$22,391,614	\$2,739,975	\$1,353,252	\$1,390,590	\$1,396,042	\$210,415	\$41,837,695	\$5,053,954	\$81,487,423	\$610,260	\$574,560	\$82,672,243	\$129,563,892	16.9%
September	\$20,511,156	\$6,179,110	\$2,508,031	\$1,412,179	\$1,381,550	\$1,881,820	\$231,844	\$34,105,690	\$3,776,098	\$79,312,364	\$639,060	\$497,880	\$80,449,304	\$118,331,092	15.4%
1st Quarter	\$60,129,776	\$51,003,442	\$7,969,940	\$4,113,672	\$4,149,597	\$5,470,644	\$696,478	\$133,533,549	\$13,202,138	\$244,853,961	\$1,927,440	\$1,572,480	\$248,353,881	\$395,089,568	51.5%
October	\$30,813,800	\$7,143,522	\$3,229,536	\$1,233,678	\$1,425,172	\$2,999,186	\$238,724	\$47,083,618	\$3,931,245	\$79,837,399	\$671,160	\$544,320	\$81,052,879	\$132,067,742	17.2%
November	\$9,645,756	\$6,367,746	\$3,449,771	\$1,632,054	\$1,382,255	\$3,074,960	\$208,572	\$25,761,114	\$3,820,402	\$80,712,183	\$676,980	\$608,040	\$81,997,203	\$111,578,719	14.6%
December	\$19,382,834	\$5,862,790	\$4,577,187	\$1,712,288	\$1,505,452	\$1,937,762	\$212,678	\$35,190,991	\$4,332,015	\$87,055,795	\$637,680	\$469,800	\$88,163,275	\$127,686,281	16.7%
2nd Quarter	\$59,842,390	\$19,374,058	\$11,256,494	\$4,578,020	\$4,312,879	\$8,011,908	\$659,974	\$108,035,723	\$12,083,662	\$247,605,377	\$1,985,820	\$1,622,160	\$251,213,357	\$371,332,742	48.5%
January															
February															
March															
3rd Quarter															
A7															
April															
May															
June															
4th Quarter															
2024	\$119,972,166	\$70,377,500	\$19,226,434	\$8,691,692	\$8,462,476	\$13,482,552	\$1,356,452	\$241,569,272	\$25,285,800	\$492,459,338	\$3,913,260	\$3,194,640	\$499,567,238	\$766,422,310	
Mkt Share	15.7%	9.2%	2.5%	1.1%	1.1%	1.8%	0.2%	31.52%	3.30%	64.25%	0.51%	0.42%	65.18%		
2023	\$100,117,808	\$80,366,359	\$15,462,633	\$9,632,371	\$7,998,257	\$8,163,354	\$1,091,429	\$222,832,211	\$21,963,483	\$503,379,188	\$4,323,900	\$2,923,560	\$510,626,648	\$755,422,342	
% of Change	19.8%	-12.4%	24.3%	-9.8%	5.8%	65.2%	24.3%	8.4%	15.1%	-2.2%	-9.5%	9.3%	-2.2%	1.5%	

ARIZONA LOTTERY QUARTERLY SALES BY PRODUCT

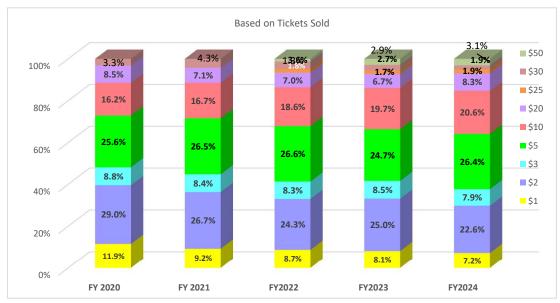




Arizona Lottery 5-Year Review by Price Point



Total \$848,409,616 \$1,109,833,567 \$1,043,163,134 \$1,062,989,531 \$492,459,338



	FY 2020	FY 2021	FY2022	FY2023	FY2024
\$1	15,243,692	14,836,696	12,025,050	10,754,616	4,219,062
\$2	37,102,316	43,302,736	33,526,964	33,112,976	13,202,026
\$3	11,265,299	13,590,013	11,441,902	11,215,006	4,615,958
\$5	32,724,821	42,962,099	36,665,951	32,684,514	15,468,907
\$10	20,720,452	27,107,685	25,630,144	26,119,477	12,076,896
\$20	10,863,687	11,447,242	9,600,830	8,854,513	4,872,500
\$25	345,146	1,837,585	2,466,853	2,206,733	1,083,561
\$30	4,281,146	6,894,985	4,913,421	3,544,239	1,119,346
\$50	0	0	1,780,734	3,783,217	1,835,109
Total	127,920,267	161,979,041	138,051,849	132,275,291	58,493,365

Interoffice Memorandum

Date:January 5, 2024To:Alec Estaban Thomson, CEO & EDDFrom:Steve Wood, Interim Sales DirectorSubject:FY 2024 – Second Quarter Sales Review

Vending Machine Sales (Chart E)

Total vending machine sales through the second quarter of FY24 were \$406,377,700, an 8.8% increase over FY23 sales of \$373,553,555. There are currently 2,050 machines installed at retail locations compared to 1,875 in FY23. The average sales per unit decreased to \$33,961 versus \$35,837 in FY23. FY24 sales from vending machines represented 53.5% of total sales, an increase from 49.9% in FY23.

Chain accounts represented 78.2% of total vending sales in the second quarter of FY24. QuikTrip leads all chain accounts with average machine sales of \$305,698. Safeway follows at \$294,299 and Fry's at \$293,978.

The new monthly out-of-stock goal for FY24 is 4.5%. We achieved that goal in October and November with an average of 4.44% and 4.26%. The overall average for the second quarter of FY24 was 4.76%, down from 5.07% in FY23. The sales team will continue to focus on vending out of stocks in FY24.

Corporate Account Review (Chart F)

- Major retail chains represent 46.5% of all Draw and Scratchers lottery accounts, down slightly from 50.0% in FY23.
- Convenience stores represent 33.5% of total accounts, while chain food stores represent 13.0%.
- Major retail chains comprise 73.0% of the total market share, with convenience stores and food stores accounting for 40.6% and 32.4%, respectively.
- Fry's food stores remain the leader with per-store average sales of \$771,216. Safeway follows at \$602,291 with Albertsons and QuikTrip at \$598,977 and \$522,397, respectively.
- Circle K accounts for 17.0% of the market share with 607 stores, followed by Fry's at 13.1% with 129 stores and QuikTrip at 9.8% with 143 stores.

Business Classification Review (Charts G and H)

- Chain and independent convenience stores account for 55.7% of total Lottery accounts and 56.4% of the market share in sales. Chain and independent grocery stores account for 14.9% and account for 32.9% of the market share. Instant Tab retailers account for 7.3% of total lottery accounts and 0.9% of the sales market share.
- FY24 comparison sales to FY23 show chain and independent convenience sales down -3.4%, while chain and independent grocery stores posted an increase of 10.0%.
- The Instant Tab category is flat with a slightly down by -1.8% in the second quarter when compared to the same period in FY23.

County Review (Charts I and J)

- The estimated per capita weekly sales for the second quarter of FY24 was \$3.99, an increase from \$3.86 in FY23.
- Maricopa and Pima counties held a market share of 75.1% of total sales. Mohave, Pinal, and Yavapai counties combined market share was 15.1%, and the remaining counties represented 9.8% of sales.
- Mohave County continues to post the highest weekly per capita sales at \$9.10, followed by La Paz County at \$8.44 and Greenlee County and Cochise at \$5.35 and 5.23, respectively.

												24	Arizona Lottery Vending Machine - FY 2024														
		# of U	nits		I	Draw Sales			Instant Sales			Tota	al Sa	ales		Pe	r Unit Avera	ge	Ou	Out of Stock Average							
st Quarter	Jul	y Aug	Sept	July		Aug	Sept	July	Aug	Sept	July	Aug		Sept	1st Qtr	July	Aug	Sept	July	Aug	Sept	1st C					
PCT-HE	159	8 1599	1603	\$ 20,913,	290	\$ 16,294,578	\$ 13,924,082	\$ 46,031,693	\$ 45,609,830	\$ 44,094,022	\$ 66,944,983	\$ 61,904,408	\$	58,018,104	\$ 186,867,495	\$ 41,893	\$ 38,714	\$ 36,193	4.43%	4.27%	4.15%	4.28					
PCT-LI	17	0 176	187	\$ 2,100,	996	\$ 1,461,543	\$ 1,370,643	\$ 2,252,404	\$ 2,130,053	\$ 2,152,908	\$ 4,353,400	\$ 3,591,596	\$	3,523,551	\$ 11,468,547	\$ 25,608	\$ 20,407	\$ 18,843	7.11%	6.82%	6.79%	6.9					
PCT-E)	(18	3 188	200	\$ 545,	577	\$ 493,042	\$ 380,152	n/a	n/a	n/a	\$ 545,677	\$ 493,042	\$	380,152	\$ 1,418,871	\$ 2,982	\$ 2,623	\$ 1,901	n/a	n/a	n/a	n/					
Tota	I 1,95	51 1,96	3 1,990	\$ 23,559,	963	\$ 18,249,163	\$ 15,674,877	\$ 48,284,097	\$ 47,739,883	\$ 46,246,930	\$ 71,844,060	\$ 65,989,046	\$	61,921,807	\$ 199,754,913	\$ 36,824	\$ 33,616	\$ 31,116	4.69%	4.53%	4.43%	4.5					
% of Lottery Sale	s			38.0%		38.9%	41.4%	57.4%	58.6%	58.3%	49.2%	51.4%		52.8%	51.0%												
nd Quarter	00	t Nov	Dec	Oct		Nov	Dec	Oct	Nov	Dec	Oct	Nov		Dec	2nd Qtr	Oct	Nov	Dec	Oct	Nov	Dec	2nd					
PCT-HE	1,60	1,60	7 1,611	\$ 17,501,	513	\$ 11,712,876	\$ 15,003,020	\$ 45,145,774	\$ 46,666,388	\$ 57,599,940	\$ 62,647,387	\$ 58,379,264	\$	72,602,960	\$ 193,629,611	\$ 39,033	\$ 36,328	\$ 45,067	4.25%	4.12%	5.36%	4.5					
PCT-LI	18	5 185	191	\$ 1,630,-	462	\$ 1,036,746	\$ 1,484,013	\$ 2,198,752	\$ 2,255,512	\$ 3,037,541	\$ 3,829,214	\$ 3,292,258	\$	4,521,554	\$ 11,643,026	\$ 20,587	\$ 17,796	\$ 23,673	6.07%	5.53%	7.55%	6.3					
PCT-EX	21	5 233	248	\$ 498,	539	\$ 363,602	\$ 487,909	n/a	n/a	n/a	\$ 498,639	\$ 363,602	\$	487,909	\$ 1,350,150	\$ 2,319	\$ 1,561	\$ 1,967	n/a	n/a	n/a	n/					
Tota	1 2,00	2,02	5 2,050	\$ 19,630,	714	\$ 13,113,224	\$ 16,974,942	\$ 47,344,526	\$ 48,921,900	\$ 60,637,481	\$ 66,975,240	\$ 62,035,124	\$	77,612,423	\$ 206,622,787	\$ 33,387	\$ 30,635	\$ 37,860	4.44%	4.26%	5.59%	4.76					
% of Lottery Sale	s			38.5%		44.3%	42.9%	59.3%	60.6%	69.7%	51.2%	56.2%		61.3%	56.2%												
Ird Quarter	Jai	n Feb	Mar	Jan		Feb	Mar	Jan	Feb	Mar	Jan	Feb		Mar	3rd Qtr	Jan	Feb	Mar	Jan	Feb	Mar	3rd (
PCT-HE	0														\$-	#DIV/0!	#DIV/0!	#DIV/0!									
PCT-LI	2														\$-	#DIV/0!	#DIV/0!	#DIV/0!									
PCT-EX	(\$-	#DIV/0!	#DIV/0!	#DIV/0!									
Tota	I 0	0	0	\$	- !	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$	-	\$-	#DIV/0!	#DIV/0!	#DIV/0!									
% of Lottery Sale	s			#DIV/0!		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!	#DIV/0!												
th Quarter	Ар	r May	/ June	Apr		May	June	Apr	May	June	Apr	May		June	4th Qtr	Apr	May	June	Apr	May	June	4th					
PCT-HE													1		\$-	#DIV/0!	#DIV/0!	#DIV/0!									
PCT-LI													_		\$-	#DIV/0!	#DIV/0!	#DIV/0!									
PCT-E)			_										-		\$-	#DIV/0!	#DIV/0!	#DIV/0!				<u> </u>					
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% of Lottery Sale	s			#DIV/0!	-+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	1	#DIV/0!	#DIV/0!							<u> </u>					
	_																										
Total Vending	3	_	_	\$ 43,190,	577	\$ 31,362,387	\$ 32,649,819	\$ 95,628,623	\$ 96,661,783	\$ 106,884,411	\$ 138,819,300	\$ 128,024,170	\$	139,534,230	\$ 406,377,700												
Total Fire 114		_													ć 750 014 440							-					
Total Fiscal Yea % of Total Sale	_	_			-+								+		\$ 759,314,410 53.5%							-					
% or rotal Sale	`				-+								-		53.5%							+					
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Monthly Chain Vending Report

Chain	Retailer Name	# of Machines	Oct 2023 Sales	00S%	Lost Sales	Nov 2023 Sales	00S%	Lost Sales	Dec 2023 Sales	005%	Lost Sales	YTD Sales	YTD OOS Avg	YTD Total Lost Sales	Per Machine Average	Sale	es Per chine	Avg N Bin S	
8027	ALBERTSONS	38	\$ 1.670.961	1.11%	\$ 17.207	\$ 1.764.386	1.13%	\$ 18,596	\$ 2.265.216	2.56%	\$ 54.832	\$ 10.744.671	1.33%	\$ 141.591	-	s	3.726.08	s	982
9968	Bashas	61	\$ 1,765,673	2.29%	\$ 43,438	\$ 1,826,726	2.49%	\$ 47,592	\$ 2,354,573	3.54%	\$ 84,715	\$ 11,428,362	2.56%	\$ 314,250			5,151.64	\$	651
8821	Carioca	33	\$ 736,060	2.61%	\$ 21,109	\$ 753,618	2.37%	\$ 18,353	\$ 899,582	2.95%	\$ 26,871	\$ 4,634,187	2.51%	\$ 119,288	\$ 140,430	\$	3,614.79	\$	488
8037	Circle K	192	\$ 3,109,929	8.57%	\$ 267,921	\$ 3,152,667	8.16%	\$ 260,631	\$ 3,899,547	9.59%	\$ 388,564	\$ 19,352,539	8.71%	\$ 1,725,534	\$ 100,794	\$	8,987.15	\$	350
20001	Cobblestone	15	\$ 255,338	0.79%	\$ 2,084	\$ 247,020	1.08%	\$ 2,575	\$ 326,966	1.12%	\$ 3,548	\$ 1,588,960	0.93%	\$ 14,292	\$ 105,931	\$	952.79	\$	368
9964/9963	CVS	79	\$ 703,032	0.21%	\$ 1,637	\$ 620,366	0.13%	\$ 959	\$ 844,148	0.62%	\$ 6,123	\$ 4,217,756	0.28%	\$ 14,181	\$ 53,389	\$	179.50	\$	185
8030	El Super	6	\$ 171,752	2.10%	\$ 3,352	\$ 169,774	1.78%	\$ 3,095	\$ 5 195,618	4.04%	\$ 7,029	\$ 1,041,807	2.91%	\$ 29,472	\$ 173,635	\$	4,912.04	\$	603
9958	Fast Market	6	\$ 141,412	2.67%	\$ 3,870	\$ 144,511	3.39%	\$ 5,284	\$ 5 171,624	3.92%	\$ 6,771	\$ 883,231	3.17%	\$ 28,972	\$ 147,205	\$	4,828.66	\$	511
9968	Food City	45	\$ 1,018,127	2.54%	\$ 27,006	\$ 1,017,650	2.81%	\$ 31,012	\$ 5 1,206,778	3.81%	\$ 49,031	\$ 6,264,825	2.86%	\$ 193,219	\$ 139,218	\$	4,293.77	\$	483
8052	Frys Food	206	\$ 9,341,098	2.46%	\$ 229,714	\$ 9,780,680	2.23%	\$ 224,310	\$ 5 12,708,460	5.27%	\$ 693,120	\$ 60,559,419	3.07%	\$ 1,955,394	\$ 293,978	\$	9,492.21	\$	1,021
8021	Jacksons	11	\$ 316,225	4.23%	\$ 14,507	\$ 298,237	3.27%	\$ 10,600	\$ 389,438	4.19%	\$ 17,613	\$ 1,976,171	3.63%	\$ 78,957	\$ 179,652	\$	7,177.93	\$	624
8031	Los Altos Ranch Market	7	\$ 176,097	5.07%	\$ 9,260	\$ 170,263	6.45%	\$ 11,312	\$ 5 203,801	5.21%	\$ 10,173	\$ 1,047,309	5.45%	\$ 58,528	\$ 149,616	\$	8,361.14	\$	519
9800	Loves	15	\$ 235,604	4.01%	\$ 8,608	\$ 264,775	2.46%	\$ 6,681	\$ 301,365	4.11%	\$ 12,817	\$ 1,565,808	3.61%	\$ 56,701	\$ 104,387	\$	3,780.10	\$	362
9905	Maverik	14	\$ 250,760	4.78%	\$ 8,838	\$ 269,000	3.13%	\$ 9,382	\$ 321,490	4.09%	\$ 15,860	\$ 1,622,768	3.98%	\$ 66,767	\$ 115,912	\$	4,769.09	\$	402
9926	Pilot	19	\$ 279,865	4.71%	\$ 13,726	\$ 297,166	5.40%	\$ 16,608	\$ 332,787	5.85%	\$ 20,233	\$ 1,735,166	4.88%	\$ 90,164	\$ 91,325	\$	4,745.48	\$	317
9849	QuikTrip	139	\$ 6,801,962	8.99%	\$ 628,917	\$ 7,166,653	8.49%	\$ 624,724	\$ 8,616,387	10.05%	\$ 860,622	\$ 42,492,082	8.97%	\$ 3,901,644	\$ 305,698	\$ 2	28,069.38	\$	1,061
8128	Safeway	123	\$ 5,613,625	2.19%	\$ 117,384	\$ 5,867,090	2.38%	\$ 142,035	\$ 5 7,560,451	4.57%	\$ 356,081	\$ 36,198,796	2.63%	\$ 989,469	\$ 294,299	\$	8,044.46	\$	1,022
9027	Smith's Food & Drug	4	\$ 164,589	4.92%	\$ 6,070	\$ 171,692	6.83%	\$ 8,400	\$ 5 214,078	9.55%	\$ 12,968	\$ 1,069,298	5.64%	\$ 46,330	\$ 267,325	\$ 1	1,582.62	\$	928
9956	Speedway	22	\$ 103,217	7.69%	\$ 9,048	\$ 110,833	6.62%	\$ 6,801	\$ 5 164,969	7.39%	\$ 12,986	\$ 480,632	10.60%	\$ 39,549			1,797.66	\$	76
8025	Superpumper	13	\$ 341,486	2.47%	\$ 9,099	\$ 354,483	2.75%	\$ 10,319	\$ 427,767	3.31%	\$ 15,241	\$ 2,071,829	2.83%	\$ 64,499			4,961.43	\$	553
8004	Terribles	11	\$ 192,146	2.26%	\$ 5,474	\$ 182,249	1.90%	\$ 4,214	\$ 224,736	2.84%	\$ 7,479	\$ 1,183,686	2.22%	\$ 32,877	, ,,,,,,		2,988.82	\$	374
3	TA Truck Centers	7	\$ 125,641	8.17%	\$ 8,587	\$ 119,665	9.10%	\$ 9,712	\$ 5 145,352	8.50%	\$ 13,873	\$ 743,304		\$ 59,724		_	8,531.99	\$	369
8022	Walmart NHM - HD	26	\$ 936,932		\$ 76,128	\$ 948,480	6.02%		\$ 5 1,192,823	6.51%	\$ 77,750	\$ 5,863,074	6.72%	\$ 401,722			5,450.85	\$	783
8022	Walmart Supercenter	137	\$ 2,179,747	6.62%	\$ 138,562	\$ 2,272,804	6.03%	\$ 133,999	\$ 3,037,255	8.62%	\$ 272,009	\$ 13,953,814	7.15%	\$ 999,661			7,296.80	\$	354
9962	Winco	7	\$ 186,509	7.14%	\$ 13,937	\$ 201,892	6.98%	\$ 14,337	\$ 5 251,303	10.64%	\$ 25,847	\$ 1,213,073	6.94%	\$ 86,813			2,401.82	\$	602
	Corporate Total	1176	\$ 36,817,787	4.25%	\$ 1,685,483	\$ 38,172,680	4.14%	\$ 1,683,352	\$ 6 48,256,514	5.31%	\$ 3,052,156	\$ 233,932,567	4.67%	\$ 11,422,787			9,713.25	\$	691
	Independent & ASL Total	555	\$ 10,526,739	3.75%	\$ 409,639	\$ 10,749,220	3.78%	\$ 440,025	\$ 5 12,380,967	4.21%	\$ 564,171	\$ 65,242,250	3.92%	\$ 2,709,962	\$ 117,554	_	4,882.81	\$	408
FY 24	Statewide Total	1768	\$ 47,344,526	4.44%	\$ 2,095,122	\$ 48,921,900	4.26%	\$ 2,123,377	\$ 60,637,481	5.59%	\$ 3,616,327	\$ 299,174,817	4.66%	\$ 14,219,561	\$ 169,217	\$	8,042.74	\$	588
	<u> </u>																		
FY 23	Statewide Total	1744	\$ 47,316,613	4.75%	\$ 2,244,657	\$ 48,060,986	4.84%	\$ 2,337,636	\$ 56,960,079	5.63%	\$ 3,496,432	\$ 600,647,734	4.94%	\$ 31,991,160	\$ 344,408	\$ 1	8,343.55	\$	1,196

Corporate % to Total

77.8%

78.0%

79.6%

78.2% Corporate % to Total Vending Sales

						ARIZONA	LU									
					C	ORPORATE AC	οι	UNT REVIEW								
						Fiscal Ye	ar 2	2024								
					Jul	y 2023 through	n De	ecember 2023								
				E)raw Games				Scratchers			Draw and	Scratchers Comb	ined	Co	ommission
		# of	% of		Market	Per Store			Market	Per Store			Market	Per Store		Earned
	Chain #	Accts	Accts	Sales	Share	Average		Sales	Share	Average		Sales	Share	Average		To Date
4 Sons	9290/9814	22	0.6%	\$ 2,014,059	0.8% \$	91,548	\$	2,261,224	0.5% \$	102,783	\$	4,275,283	0.6% \$	194,331	\$	277,893
7-Eleven	8706	54	1.4%	\$ 2,768,176	1.0% \$,	\$	9,249,240	1.9% \$		1 ·	12,017,416	1.6% \$			781,132
Carioca	8821	39	1.0%	\$ 3,166,659	1.2% \$		\$	5,148,251	1.0% \$	132,006	1 ·	8,314,910	1.1% \$		\$	540,469
Circle K	8037	607	16.2%	\$ 43,866,212	16.4% \$,	\$	85,240,809	17.3% \$		1 ·	129,107,021	17.0% \$		\$	8,391,956
Cobblestone	8037	15	0.4%	\$	0.5% \$,	\$		0.3% \$						· ·	
	9958			1,432,801		,		1,562,109				2,994,910	0.4% \$		· ·	194,669
Fast Market		24	0.6%	\$ 2,378,716	0.9% \$,	\$	5,536,807	1.1% \$		1 ·	7,915,523	1.0% \$			514,509
Fry's Gas	8052	98	2.6%	\$ 4,094,067	1.5% \$		\$	11,232,078	2.3% \$			15,326,145	2.0% \$		\$	996,199
Good 2 Go	8024	15	0.4%	\$ 613,755	0.2% \$,	\$	1,520,388	0.3% \$		1 ·	2,134,143	0.3% \$			138,719
Jackson's Food Stores	8021	11	0.3%	\$ 1,658,712	0.6% \$,	\$	1,901,434	0.4% \$		1 ·	3,560,146	0.5% \$			231,409
Loves	9800	15	0.4%	\$ 826,688	0.3% \$,	\$	1,589,650	0.3% \$		1 ·	2,416,338	0.3% \$			157,062
Maverik	9905	26	0.7%	\$ 2,716,318	1.0% \$	104,474	\$	4,383,475	0.9% \$	168,595	\$	7,099,793	0.9% \$	273,069	\$	461,487
Pilot Travel Centers	9926	21	0.6%	\$ 917,735	0.3% \$	43,702	\$	1,709,276	0.3% \$	81,394	\$	2,627,011	0.3% \$	125,096	\$	170,756
QuikTrip	9849	143	3.8%	\$ 27,694,656	10.4% \$	193,669	\$	47,008,183	9.5% \$	328,729	\$	74,702,839	9.8% \$	522,397	\$	4,855,685
Safeway Gas	8128	32	0.9%	\$ 2,040,320	0.8% \$	63,760	\$	3,958,646	0.8% \$	123,708	\$	5,998,966	0.8% \$			389,933
Shay's	8938	21	0.6%	\$ 1,342,760	0.5% \$	63,941	\$	3,641,542	0.7% \$	173,407	\$	4,984,302	0.7% \$	237,348	\$	323,980
Smith's Gas	9027	4	0.1%	\$ 10,418	0.0% \$	2,605	\$	13,148	0.0% \$	3,287	\$	23,566	0.0% \$	5,892	\$	1,532
Speedway	9956	78	2.1%	\$ 4,331,571	1.6% \$	55,533	\$	11,831,162	2.4% \$	151,682	\$	16,162,733	2.1% \$	207,215	\$	1,050,578
Superpumper	8025	13	0.3%	\$ 1,743,801	0.7% \$	134,139	\$	1,998,761	0.4% \$	153,751	\$	3,742,562	0.5% \$	287,889	\$	243,267
TA Truck Centers	3	8	0.2%	\$ 496,022	0.2% \$	62,003	\$	762,544	0.2% \$	95,318	\$	1,258,566	0.2% \$	157,321	\$	81,807
Terribles	8004	10	0.3%	\$ 2,011,367	0.8% \$		\$	1,561,845	0.3% \$		1 ·	3,573,212	0.5% \$		\$	232,259
Convenience Total		1,256	33.5%	\$106,124,813	39.8% \$	84,494		\$202,110,572	41.0% \$	160,916		\$308,235,385	40.6% \$	245,410	\$ 2	20,035,300
											.					
Albertsons	8027	30	0.8%	\$ 7,145,813	2.7% \$,	\$	10,823,497	2.2% \$		1 ·	17,969,310	2.4% \$			1,168,005
Bashas'	8011	45	1.2%	\$ 7,945,132	3.0% \$		\$	10,950,496	2.2% \$		1 ·	18,895,628	2.5% \$		· ·	1,228,216
El Super	8030	6	0.2%	\$ 211,312	0.1% \$,	\$	1,043,219	0.2% \$		1 ·	1,254,531	0.2% \$			81,545
Food City		45	1.2%	\$ 1,621,343	0.6% \$	36,030	\$	6,158,040	1.3% \$	136,845	\$	7,779,383	1.0% \$	172,875	\$	505,660
Fry's	8052	129	3.4%	\$ 38,305,479	14.4% \$	296,942	\$	61,181,424	12.4% \$	474,275	\$	99,486,903	13.1% \$	771,216	\$	6,466,649
Los Altos Ranch Market	8026	7	0.2%	\$ 199,931	0.1% \$	28,562	\$	1,032,393	0.2% \$	147,485	\$	1,232,324	0.2% \$	176,046	\$	80,101
Safeway	8128	105	2.8%	\$ 27,705,540	10.4% \$	263,862	\$	35,534,977	7.2% \$	338,428	\$	63,240,517	8.3% \$	602,291	\$	4,110,634
Smith's	9027	4	0.1%	\$ 885,357	0.3% \$	221,339	\$	1,082,597	0.2% \$	270,649	\$	1,967,954	0.3% \$	491,989	\$	127,917
Walmart NHM	8022	27	0.7%	\$ 3,309,118	1.2% \$	122,560	\$	5,829,380	1.2% \$	215,903	\$	9,138,498	1.2% \$	338,463	\$	594,002
Walmart Supercenters	8022	81	2.2%	\$ 9,525,219	3.6% \$	117,595	\$	13,561,062	2.8% \$	167,421	\$	23,086,281	3.0% \$	285,016	\$	1,500,608
Winco	9962	7	0.2%	\$ 797,494	0.3% \$	113,928	\$	1,169,827	0.2% \$	167,118	\$	1,967,321	0.3% \$	281,046	\$	127,876
Food Store Total		486	13.0%	\$97,651,738	36.6% \$	200,930		\$148,366,912	30.1% \$	305,282	\$	246,018,650	32.4% \$	506,211	\$:	15,991,212
Major Chains		1,742	46.5%	\$203,776,551	76.4% \$	116,979		\$350,477,484	71.2% \$	201,193	\$	554,254,035	73.0% \$	318,171	\$:	36,026,512
All Stores*		3750		\$266,855,072	\$	71,161		\$492,459,338	\$	131,322	\$	759,314,410	\$	202,484	\$ 4	49,355,437
*Does not include Instant Tabs											1					

ARIZONA LOTTERY BUSINESS CODE REVIEW																		
									Year 2024	-								
							July 2	023 thro	igh December									
				Dr	aw Game	-	Scratchers			Iı	nstant Ta	-		Combined T				Commission
	Business	# of	% of		Market			Market	Per Store			Per Store	FY2024	FY2023	% of		Per Store	Earned
Business Classification	Code	Accts	Accts	Sales	Share	Average	Sales	Share	Average	Sales	Share	Average	Sales	Sales	change	Share	Average	To Date
Full Product	0.1	2	0.40/	20.020	0.00/	10.000	24 522	0.00/	0.040	0	0.00/		(2.5.40	106110	10 50/	0.00/	24.240	*
Shopping Malls	01	3	0.1%	39,028	0.0%	13,009	24,720	0.0%	8,240	0	0.0%	0	63,748	126,149	-49.5%	0.0%	21,249	
Smoke/Gift Shops	02	112	3.0%	1,435,946	0.5%	12,821	4,779,033	1.0%	42,670	0	0.0%	0	6,214,979	5,641,914	10.2%		55,491	
Chain Supermarkets	03	504	13.4%	97,435,039	36.5%	193,323	147,803,504	30.0%	293,261	0	0.0%	-	245,238,543	228,089,263	7.5%			
Independent Supermarkets	04	54	1.4%	2,503,588	0.9%	46,363	4,793,936	1.0%	88,777	0	0.0%	0	7,297,524	7,124,121	2.4%		135,139	\$ 474,339
Chain Convenience Stores	05	1084	28.9%	96,942,232	36.3%	89,430	182,444,311	37.0%	168,307	0	0.0%	0	279,386,543	287,821,033	-2.9%		257,737	
Independent Convenience	06	1004	26.8%	45,322,209	17.0%	45,142	107,661,680	21.9%	107,233	0	0.0%	0	152,983,889	153,671,746	-0.4%		152,374	
Liquor Stores	07	103	2.7%	1,508,635	0.6%	14,647	6,968,769	1.4%	67,658	0	0.0%	-	8,477,404	8,983,576	-5.6%	1.1%	82,305	
Drug Store/Pharmacies	08	3	0.1%	43,311	0.0%	14,437	35,948	0.0%	11,983	0	0.0%	0	79,259	63,930	24.0%	0.0%	26,420	
independent Gas	09	21	0.6%	550,954	0.2%	26,236	1,727,078	0.4%	82,242	0	0.0%	0	2,278,032	2,740,112	-16.9%	0.3%	108,478	
Truck Service Centers	10	54	1.4%	2,636,256	1.0%	48,820	4,579,063	0.9%	84,797	0	0.0%	0	7,215,319	7,333,486	-1.6%		133,617	
Bars/Restaurants	11	168	4.5%	5,031,286	1.9%	29,948	4,786,570	1.0%	28,491	0	0.0%	0	9,817,856	8,803,313	11.5%		58,440	
Spec Non-Grocery/Misc	12	133	3.5%	3,306,659	1.2%	24,862	3,646,230	0.7%	27,415	0	0.0%	0	6,952,889	7,034,149	-1.2%	0.9%	52,277	
Chain Gas	13	134	3.6%	6,361,504	2.4%	47,474	15,767,280	3.2%	117,666	0	0.0%	0	22,128,784	20,626,260	7.3%	2.9%	165,140	
Bowling Centers	14	3	0.1%	33,495	0.0%	11,165	64,274	0.0%	21,425	0	0.0%	0	97,769	117,629	-16.9%	0.0%	32,590	
Route Sales	19	83	2.2%	1,767,254	0.7%		3,603,699	0.7%	43,418	0	0.0%	0	5,370,953	4,364,428	23.1%	0.7%	64,710	
Quick Card/ScanActiv	20	3	0.1%	429,244	0.2%	143,081	96,600	0.0%	32,200	0	0.0%	0	525,844	651,188	-19.2%	0.1%	175,281	
ASL & Promotions	99	11	0.3%	1,508,432	0.6%	137,130	3,676,643	0.7%	334,240	30,240	0.4%	2,749	5,215,315	5,020,385	3.9%	0.7%	474,120	\$ 338,995
Full Product Sub Total		3477		266,855,072			492,459,338			30,240			759,344,650	748,212,682	1.5%			
Instant Tab																		
Age-Controlled Instant Tab	15	87	2.3%	0	0.0%	0	0	0.0%	0	2,345,760	33.0%	26,963	2,345,760	2,093,040	12.1%	0.3%	26,963	
Charitable Instant Tab	17	140	3.7%	0	0.0%	0	0	0.0%	0	3,913,260	55.1%	27,952	3,913,260	4,327,140	-9.6%	0.5%	27,952	
General Instant Tab	18	46	1.2%	0	0.0%	0	0	0.0%	0	818,640	11.5%	17,797	818,640	789,480	3.7%	0.1%	17,797	
Instant Tab Sub Total		273	7.3%	0			0			7,077,660			7,077,660	7,209,660	-1.8%			
Total		3750	100%	266,855,072	100%	76,749	492,459,338	100%	141,633	7,107,900	100%	26,036	766,422,310	755,422,342	1.5%	100%	204,379	\$ 49,357,402
Summary Recap				-,		.,	. , ,		,	, . ,		.,		,,,,,,,, <u>,</u> ,,,,,	_ /0		- ,	
Chain/Indpt Supermarkets		558	14.9%	99,938,627	37.5%	179,101	152,597,440	31.0%	273,472	0	0.0%	0	252,536,067	235,213,384	7.4%	32.9%	452,574	\$ 16,414,844
Total Convenience Stores		2,088	55.7%	142,264,441	53.3%	68,134	290,105,991	58.9%	138,940	0	0.0%	0	432,370,432	441,492,779	-2.1%	56.4%	207,074	\$ 28,104,078
Total Instant Tabs		273	7.3%	0	0.0%	0	0	0.0%	0	7,077,660	99.6%	25,925	7,077,660	7,209,660	-1.8%	0.9%	25,925	\$ 460,048
Other Classifications		831	22.2%	24,652,004	9.2%	29,665	49,755,907	10.1%	59,875	30,240	0.4%	327,344	74,438,151	71,506,519	4.1%	9.7%	89,577	\$ 4,838,480
Total All Classifications		3,750	100%	266,855,072	100%	76,749	492,459,338	100%	141,633	7,107,900	100%	26,036	766,422,310	755,422,342	1.5%	100%	204,379	\$ 49,817,450

Chart G

ARIZONA LOTTERY

BUSINESS CODE REVIEW

Fiscal Year 2024

July 2023 through December 2023

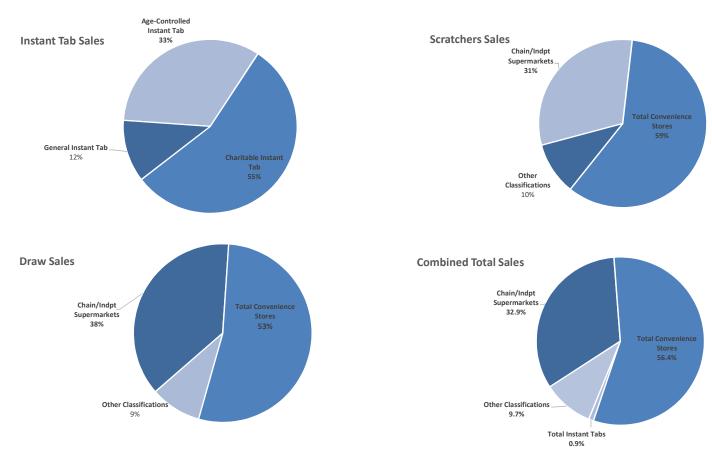
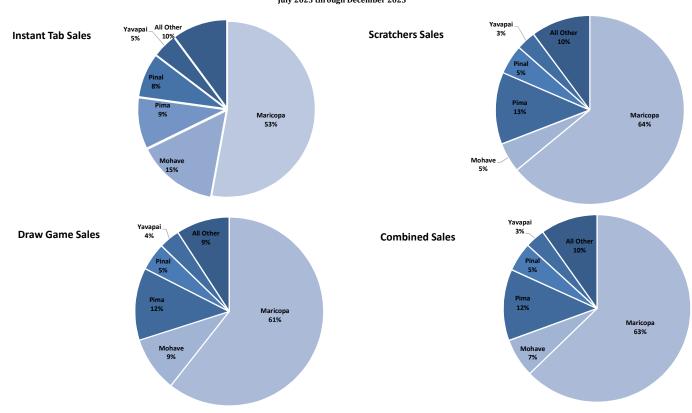


Chart H

	ARIZONA LOTTERY																	
									COUNT	Y SALES REVIEW								
	Fiscal Year 2024																	
									July 2023 th	rough December 2	023							
				Draw Games			So	ratchers		In	stant Tabs		Combined Total Sales					2024 Estimated
		# of	% of		Market	Per Store		Market	Per Store		Market	Per Store	FY2024	FY2023	% of	Market		Per Capita
County	Code	Accts	Accts	Sales	Share	Average	Sales	Share	Average	Sales	Share	Average	Sales	Sales	Change	Share	Average	Wkly Sales
Apache	1	18	0.5%	442,750	0.2%	24,597	887,690	0.2%	49,316	6,540	0.1%	3,941,800	1,336,980	1,535,744	-12.94%	0.2%	74,277	\$0.80
Cochise	2	97	2.6%	4,850,932	1.8%	50,010	11,818,526	2.4%	121,840	135,120	1.9%	7,433,099	16,804,578	15,990,295	5.09%	2.2%	173,243	\$5.23
Coconino	3	121	3.2%	5,061,824	1.9%	41,833	8,516,372	1.7%	70,383	22,680	0.3%	1,195,670	13,600,876	13,167,557	3.29%	1.8%	112,404	\$3.53
Gila	4	50	1.3%	2,048,253	0.8%	40,965	4,440,351	0.9%	88,807	60,780	0.9%	7,918,676	6,549,384	6,586,097	-0.56%	0.9%	130,988	\$4.74
Graham	5	21	0.6%	836,476	0.3%	39,832	3,278,076	0.7%	156,099	9,360	0.1%	2,986,055	4,123,912	4,059,859	1.58%	0.5%	196,377	\$4.07
Greenlee	6	6	0.2%	228,418	0.1%	38,070	1,142,915	0.2%	190,486	5,580	0.1%	6,518,975	1,376,913	1,361,349	1.14%	0.2%	229,486	\$5.35
La Paz	15	45	1.2%	1,239,594	0.5%	27,547	2,022,158	0.4%	44,937	112,560	1.6%	24,231,488	3,374,312	3,614,370	-6.64%	0.4%	74,985	\$8.44
Maricopa	7	2111	56.3%	161,738,584	60.6%	76,617	315,401,270	64.0%	149,408	3,757,260	52.9%	6,199,163	480,897,114	476,547,465	0.91%	62.7%	227,805	\$4.02
Mohave	8	239	6.4%	25,247,841	9.5%	105,640	25,053,787	5.1%	104,828	1,058,940	14.9%	11,192,383	51,360,568	50,634,406	1.43%	6.7%	214,898	
Navajo	9	70	1.9%	2,978,610	1.1%	42,552	5,641,814	1.1%	80,597	93,900	1.3%	8,412,545	8,714,324	9,002,634	-3.20%	1.1%	124,490	\$3.15
Pima	10	479	12.8%	33,163,925	12.4%	69,236	60,705,991	12.3%	126,735	668,160	9.4%	5,376,381	94,538,076	90,681,140	4.25%	12.3%	197,366	
Pinal	11	171	4.6%	12,693,933	4.8%	74,234	24,926,327	5.1%	145,768	580,800	8.2%	12,209,725	38,201,060	38,260,486		5.0%	223,398	
Santa Cruz	12	26	0.7%	1,768,164	0.7%	68,006	2,249,210	0.5%	86,508	0	0.0%	0	4,017,374	3,855,066	4.21%	0.5%	154,514	
Yavapai	13	162	4.3%	9,532,245	3.6%	58,841	16,355,290	3.3%	100,959	321,360	4.5%	8,996,469	26,208,895	25,038,308	4.68%	3.4%	161,783	
Yuma	14	132	3.5%	4,594,279	1.7%	34,805	10,019,561	2.0%	75,906	274,860	3.9%	15,965,026	14,888,700	14,456,178	2.99%	1.9%	112,793	
Virtual	26	2	0.1%	429,244	0.2%	214,622	0	0.0%	0	0	0.0%	0	429,244	631,388	-32.02%	0.1%	214,622	#DIV/0!
Total		3750	100%	266,855,072	100%	71,161	492,459,338	100%	131,322	7,107,900	100%	7,107,900	766,422,310	755,422,342	1.46%	100%	204,379	\$3.99
Summary Reca	р																	
Mariaana ar J																		
Maricopa and Pima Counties		2590	69.1%	194,902,509	73.0%	75,252	376,107,261	76.4%	145,215	4,425,420	62.3%	6,059,161	575,435,190			75.1%	222,176	
Mohave, Pinal																		
and Yavapai		572	15.3%	47,474,019	17.8%	82,997	66,335,404	13.5%	115,971	1,961,100	27.6%	11,023,492	115,770,523			15.1%	202,396	
All Other																		
Counties		588	15.7%	24,478,544	9.2%	41,630	50,016,673	10.2%	85,062	721,380	10.1%	7,864,190	75,216,597			9.8%	127,919	

Chart I

ARIZONA LOTTERY COUNTY SALES REVIEW Fiscal Year 2024 July 2023 through December 2023



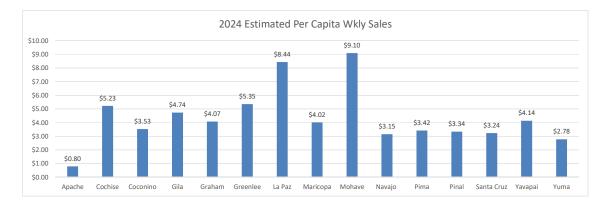


Chart J

New Business Item #1 Instant Scratch Game Profiles Report to Arizona Lottery Commission January 19, 2024

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: *Bonus Bucks* #1450, *Spicy Hot Cash* #1451, and *Cash Plus* #1452.

Bonus Bucks #1450. This \$10 game has a top prize of \$100,000. This game will be printed at a quantity of approximately 2 million tickets.

Spicy Hot Cash #1451. This \$10 game has a top prize of \$100,000. This game will be printed at a quantity of approximately 2 million tickets.

<u>Cash Plus #1452.</u> This \$5 game has a top prize of \$50,000. This game will be printed at a quantity of approximately 2.1 million tickets.

Attachments (Commissioners only)