



March 15, 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 **March 15, 2024, at 10:00 a.m.**, in the **Arizona Lottery Board Room, located at 4740 East University Drive, Phoenix, Arizona.** 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. The Public may also join by telephone or Internet through **Google Hangouts Meet**.

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

OR

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 February 16, 2024, Public Meeting

Agency Reports

1. Executive Report – Presentation
2. Financial Report – Presentation
3. Marketing & Products Update – Presentation
4. New Games Introduction – No Presentation

New Business

1. Discussion and possible action on new instant scratch game profiles: *Million Dollar Crossword* #1455, *Hit the Jackpot* #1457, *Lucky 10* #1458, and *\$500,000 Gold Rush* #1459.
2. Discussion and possible action on new promotion game profile: *Caliente Cash Million Dollar Getaway* #133.

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 **April 19, 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.

Notice

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

Dated this 6th day of March 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 February 16, 2024, Meeting

PRESIDING Chair Jeff Weintraub (In-Person)

COMMISSIONERS Vice Chair Todd Newman, Tereza Fritz, Mario Aniles (In-Person), and Tim Baumgarten (Virtual)

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, and Mia Lemke, Human Resources (In-Person)

Luanne Mansanares, Ray Ortega, Anna Hunt, Mary Cimaglio, Adam Tollefson, Imani Keith, (In Person) Shelby Alessi, Anjali Dang, Karla Henriksen, Holly Hichens, Susan Kalember, Ashley Lovette, Mia Marquez, Vicki Nelson, Robin Peters, Jacob Rusywick, Erin Stanley, Orion Steen, Art Uthaisri, Jennifer Wenger, and Steve Wood (Teleconference)

GUESTS Attorney General Representatives: Pamela Peiser (In Person)

Legislative Liaisons: Jimmy Arwood, (In-Person)

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

Pollard Banknote Limited Representatives: (Teleconference)

Owens Harkey Representatives: Anna Garza (Teleconference)

IGT: Nicholas Schell (Teleconference)

PUBLIC Melina Kiser

Call to Order

1. **Call for Quorum:** Pursuant to the Public Notice dated February 07, 2024, 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, Vice Chair Newman, Commissioners Fritz, Commissioner Aniles (In-Person), and Commissioner Baumgarten. (Virtual).
2. **Notice:** Notice was posted by Luanne Mansanares on February 08, 2024, at 3:00 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 January 19, 2024, Public Meeting minutes. Vice Chair Newman moved; Commissioner Fritz seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman,

Commissioners Fritz, Commissioner Aniles (In-Person), and Commissioner Baumgarten (Virtual) voting aye. The motion carried.

Agency Reports

1. **Executive Report** – Jimmy Arwood provided a Legislative update. Executive Deputy Director Alec Thomson presented information on the Gives Back Beneficiary of the Month.
2. **Financial Report** – Presented by Russ Harben
3. **Products & Marketing** – Presented by Chris Rogers
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 profile: *Lady Luck* #1453. There was no response.

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 instant scratch game profile: #1453. Vice Chair Newman moved; Commissioner Fritz seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Aniles (In-Person), and Commissioner Baumgarten (Virtual) voting aye. The motion carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new Fast Play™ game profile: *Casino Royale Slots* #166. There was no response.

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 Fast Play™ game profile: #166. Vice Chair Newman moved; Commissioner Fritz seconded. The vote was unanimous, with Chair Weintraub, Vice Chair Newman, Commissioner Fritz, Commissioner Aniles (In-Person), and Commissioner Baumgarten (Virtual) 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 March 15, 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 10:36 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.

Notice

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

Agency Reports
Report to Arizona Lottery Commission
March 15, 2024

Executive Report – Presentation

Financial Report – Presentation

Marketing & Products Update – Presentation

New Game Introductions – No Presentation

New Game Introductions

The following Scratchers games were introduced since the last commission meeting: *\$100 Stacked* #1423, *Six Figures* #1437, and *Cactus Crossword* #1444.

More information on these games is available by visiting the Scratchers section at ArizonaLottery.com

No games have ended since the last commission meeting.

ATTACHMENT A

Dashboard Report March 2024

SERVING ARIZONA FOR 42 YEARS





7.42%

vs. Proj (FYTD)

Total Sales (FYTD)
\$1,015,639,246

-1.71%

vs. PYTD

58.51%

vs. Proj (FYTD)

Draw Sales
\$326,322,554^{32.1%}
%Total Sales

-1.55%

vs. PYTD

Draw Sales : From
7/1/2018 - To
2/29/2024
Fast Play Sales :
From 7/1/2018 - To
2/29/2024

-6.80%

vs. Proj (FYTD)

Instant Sales
\$689,316,692^{67.9%}
%Total Sales

-1.79%

vs. PYTD

97.18%

vs. Proj (FYTD)

Multi-State
\$225,770,019^{69.2%}
%Draw Sales

-7.31%

vs. PYTD

-6.83%

vs. Proj (FYTD)

Scratchers Sales
\$679,095,392^{98.5%}
%Instant Sales

-1.83%

vs. PYTD

9.59%

vs. Proj (FYTD)

In-State
\$64,879,560^{19.9%}
%Draw Sales

15.16%

vs. PYTD

Scratcher Sales :
From 7/1/2018 - To
2/29/2024
Pulltab Sales : From
7/2/2018 - To
2/29/2024

-11.29%

vs. Proj (FYTD)

Charitable Pulltab Sales
\$5,617,260^{0.8%}
%Instant Sales

-6.80%

vs. PYTD

-15.17%

vs. Proj (FYTD)

Quick Draw
\$1,837,807^{0.6%}
%Draw Sales

21.23%

vs. PYTD

5.30%

vs. Proj (FYTD)

Age Rest. Pulltab Sales
\$3,453,840^{0.5%}
%Instant Sales

13.73%

vs. PYTD

12.78%

vs. Proj (FYTD)

Fast Play
\$33,835,168^{10.4%}
%Draw Sales

12.67%

vs. PYTD

1.66%

vs. Proj (FYTD)

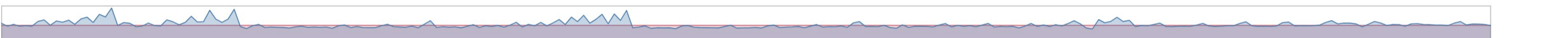
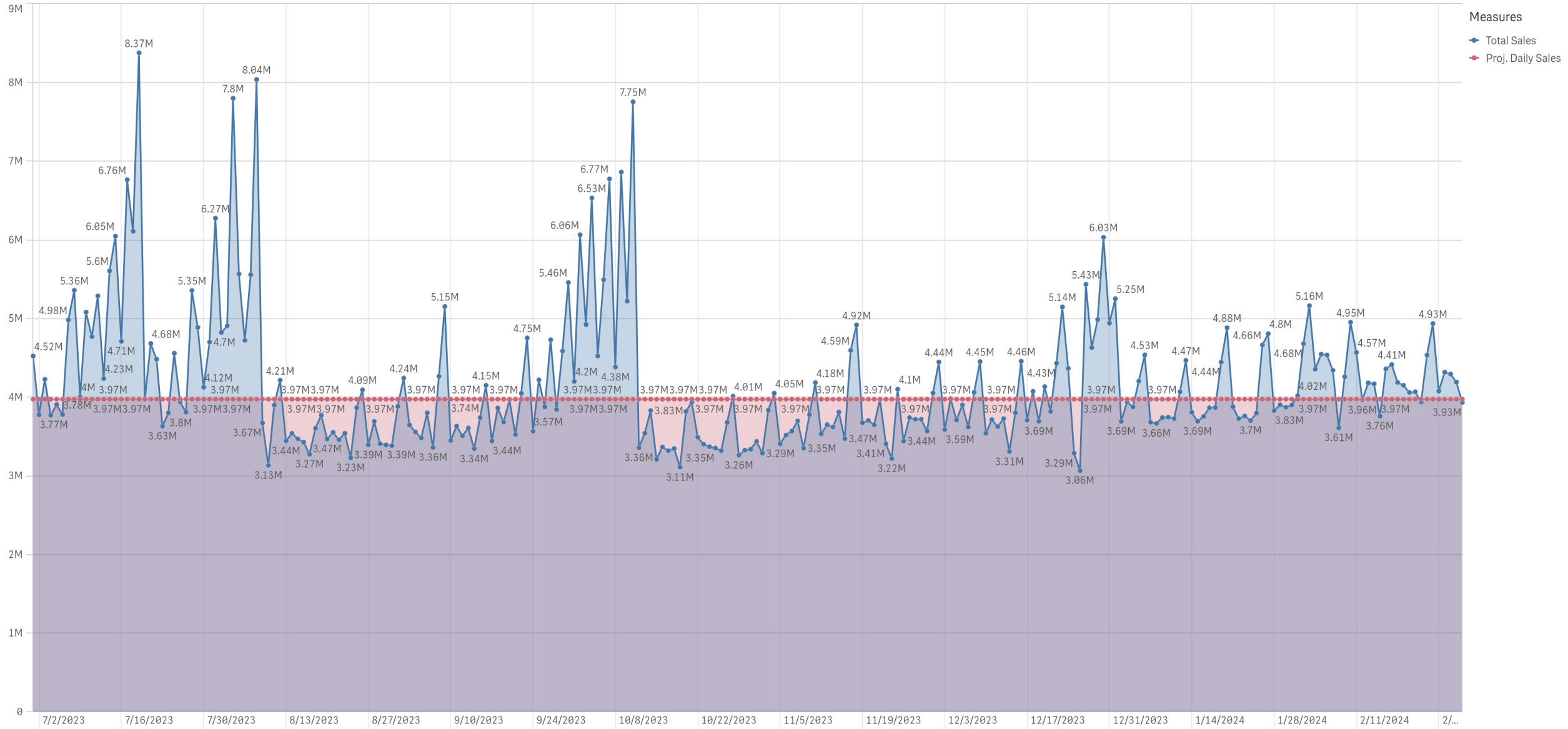
Other Pulltab Sales
\$1,150,200^{0.2%}
%Instant Sales

9.79%

vs. PYTD



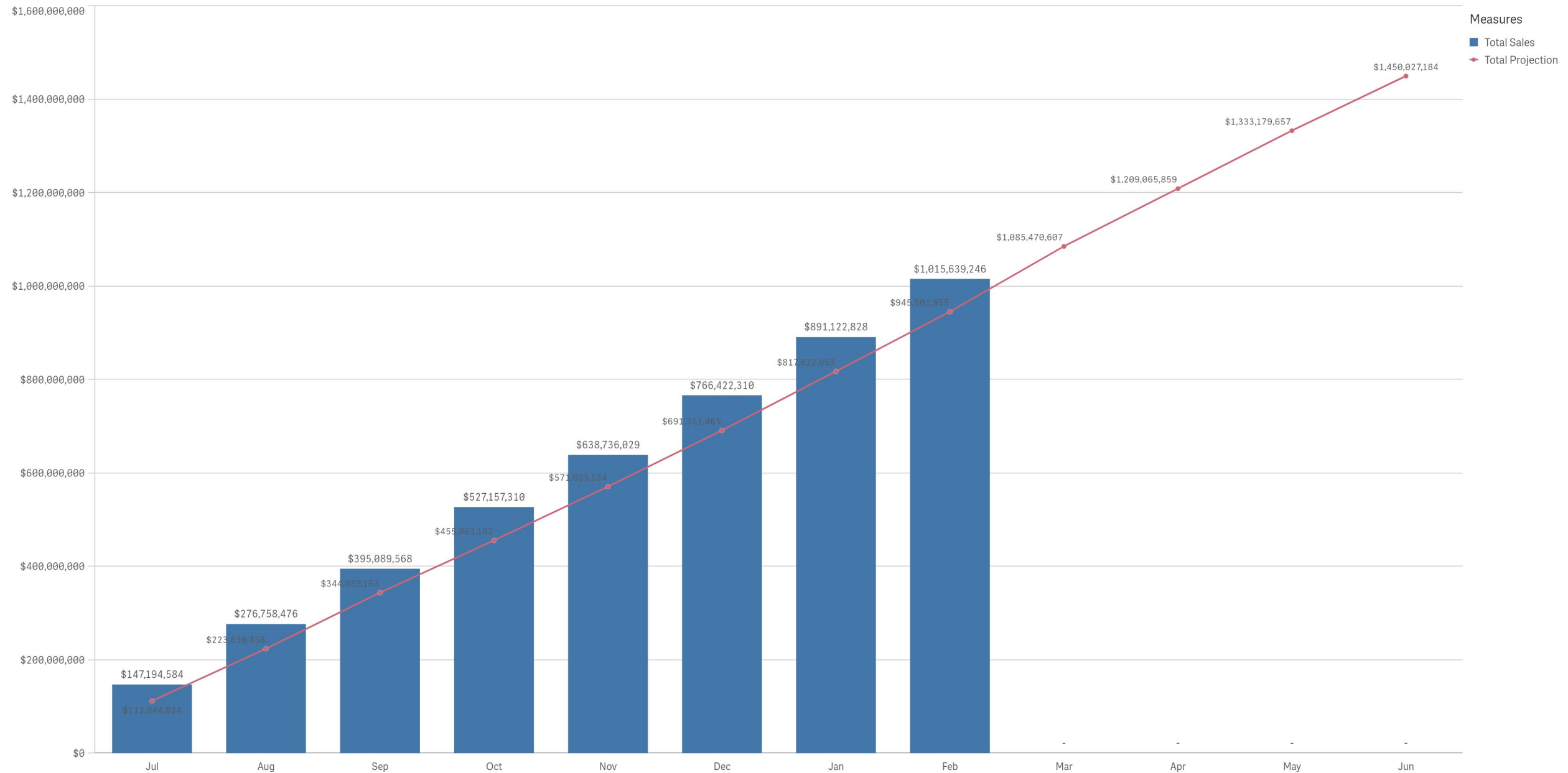
Daily Sales vs. Goal





YTD Sales vs. Projection

FY 2024 Total Sales vs. Projection

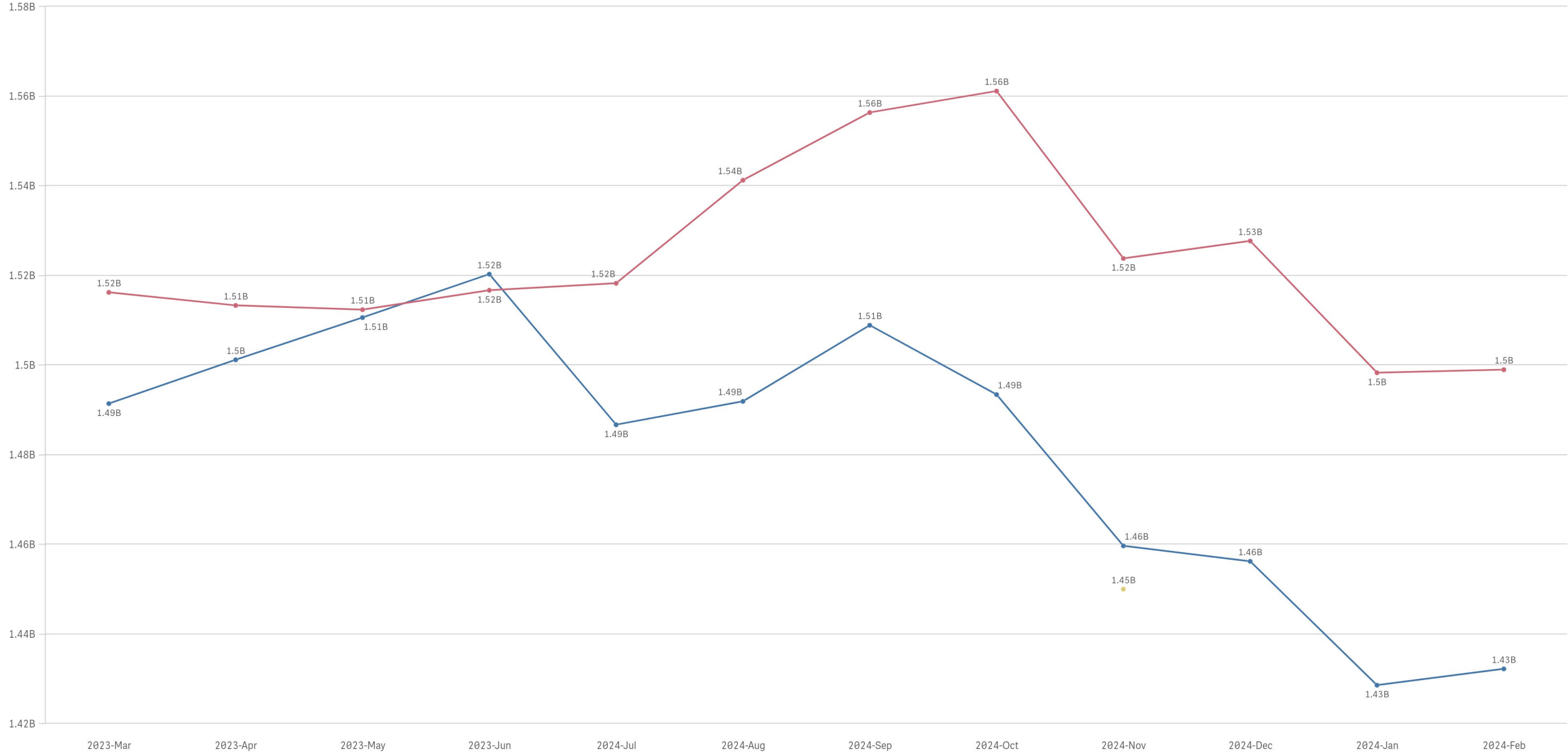




Rolling 12 Month Total Sales

Rolling 12 Month Sales

◆ Total Projection ◆ Current Year Projection ◆ Total Sales

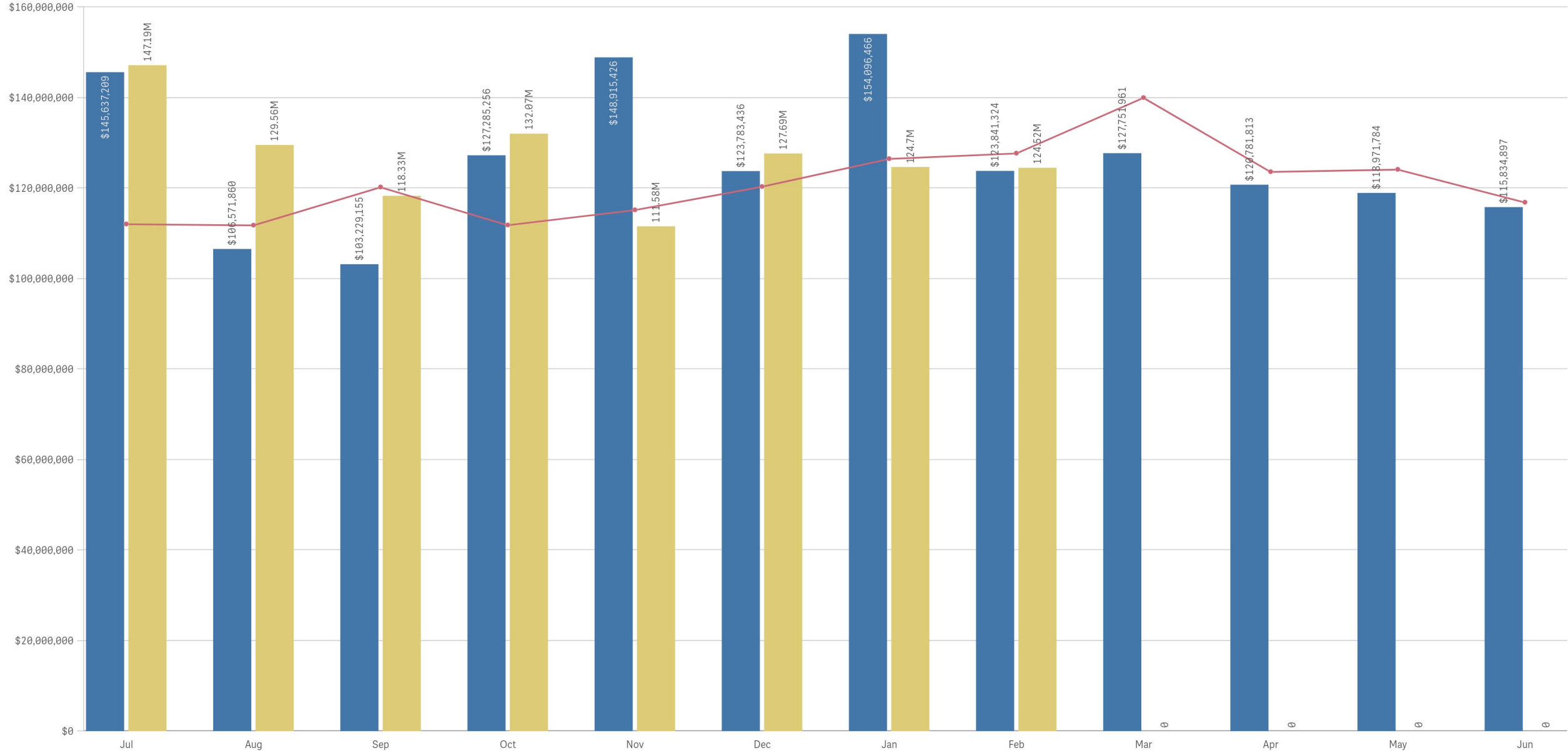




All Games

Sales FY 2023 vs. 2024 vs. Projection

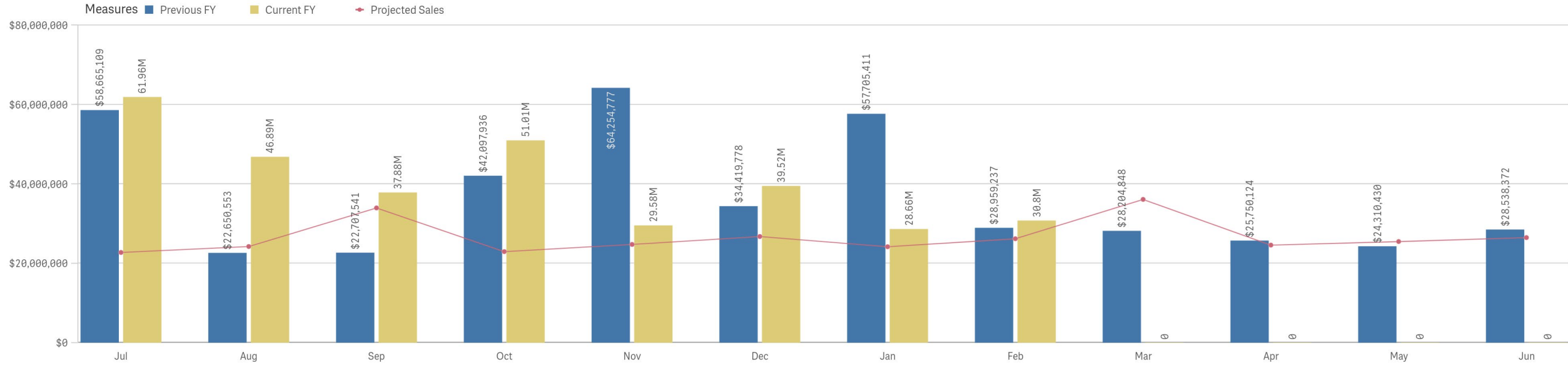
Measures ■ Previous FY ■ Current FY ◆ Projected Sales



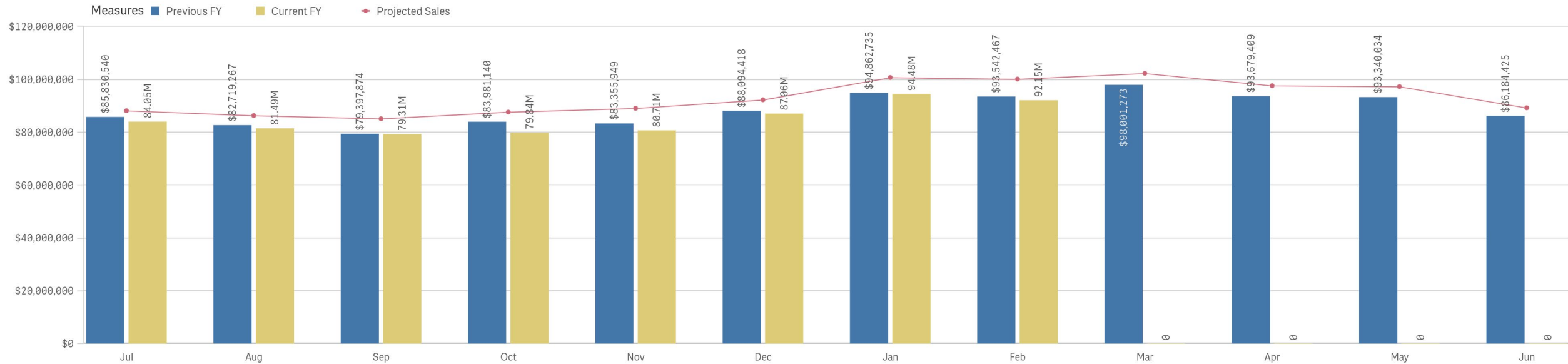


Draw and Instant Games

Draw Sales FY 2023 vs. 2024 vs. Projection



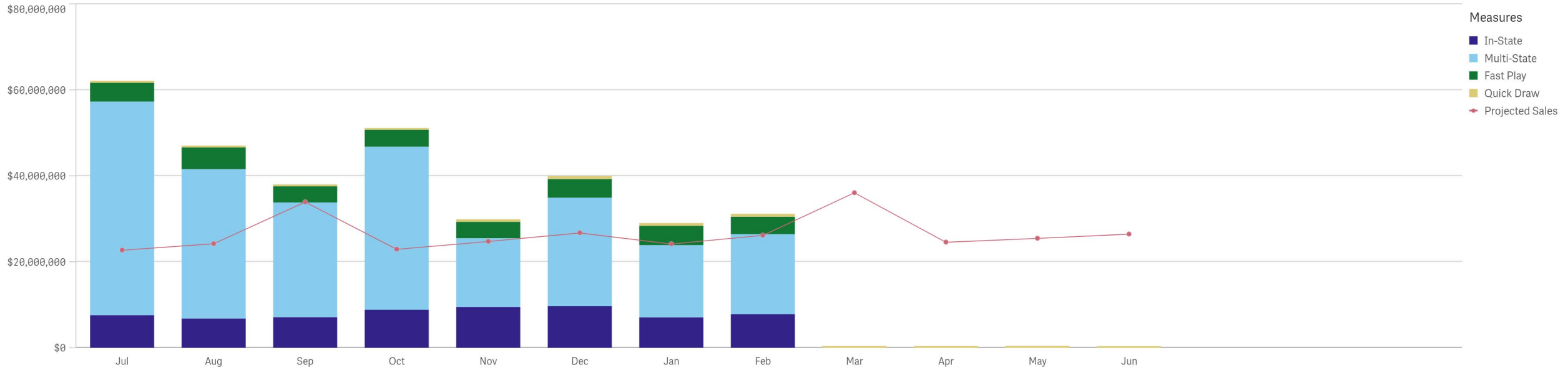
Instant Sales FY 2023 vs. 2024 vs. Projection



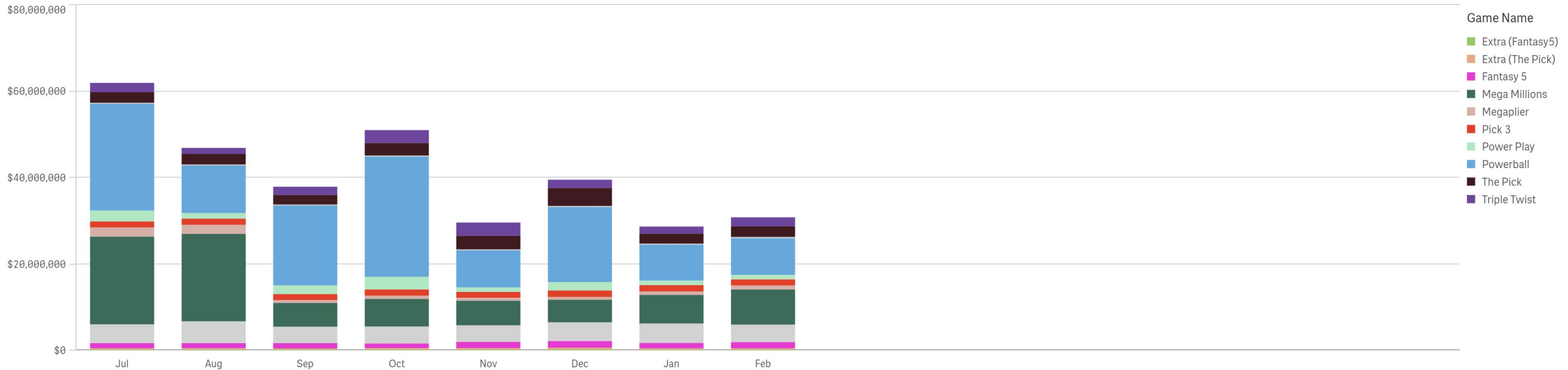


Draw Sales by Month

FY 2024 Draw Sales by Game Type



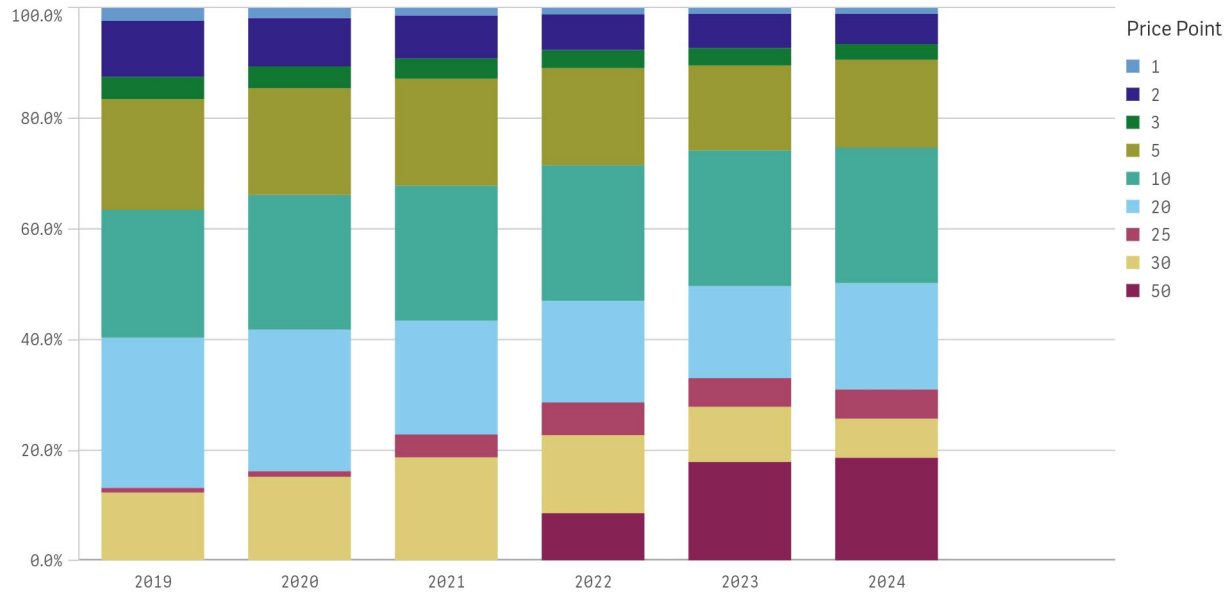
FY 2024 Draw Sales by Game



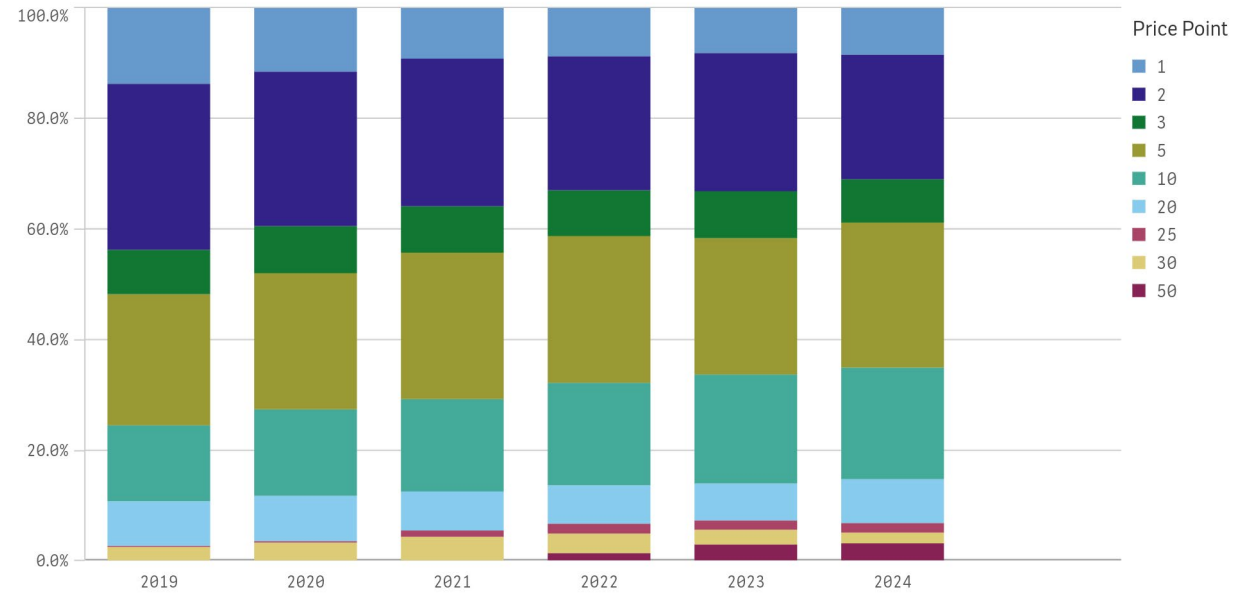


Sales by Price Point - Scratcher and Pull Tabs

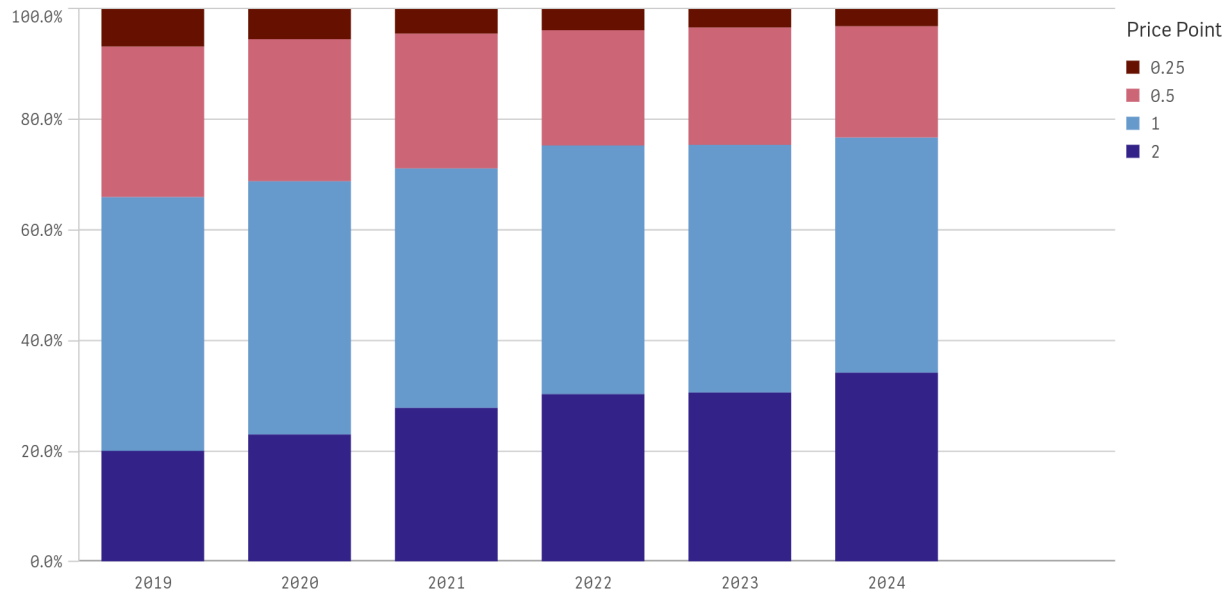
Based on Dollars Sold - Scratcher



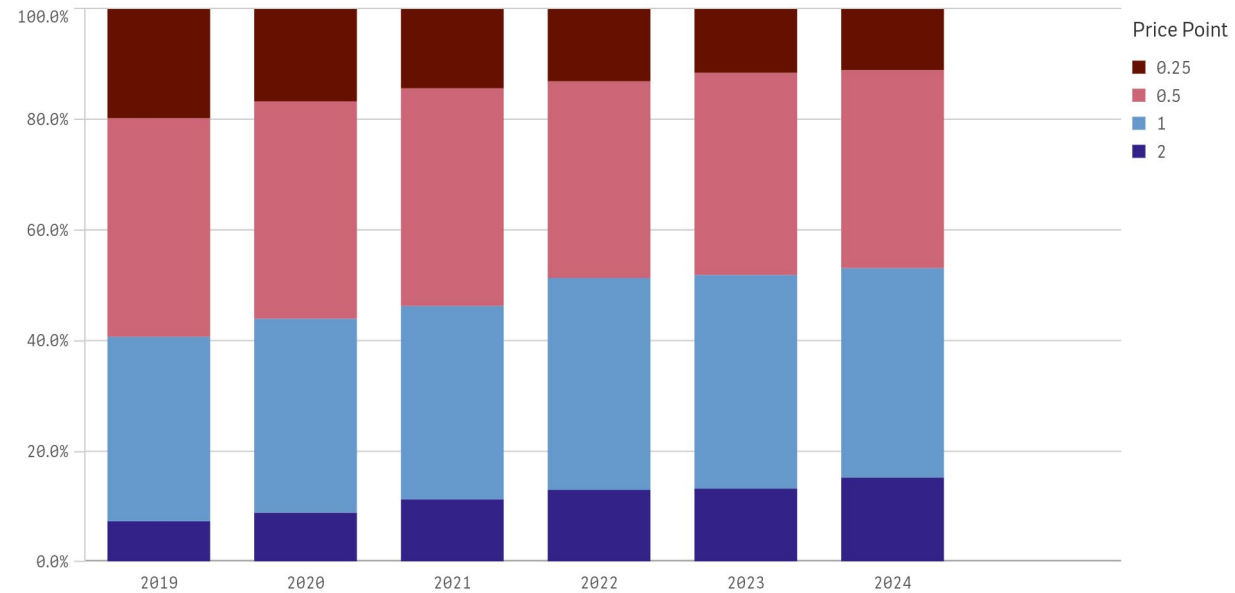
Based on Tickets Sold - Scratcher



Based on Dollars Sold - Pull Tabs

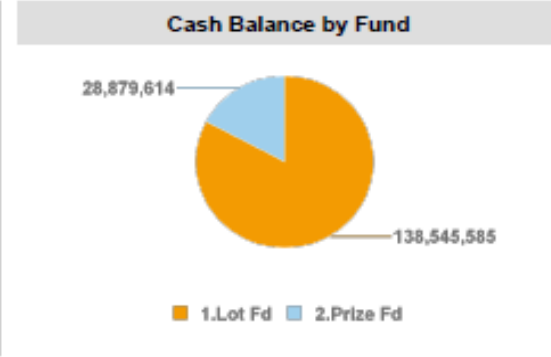
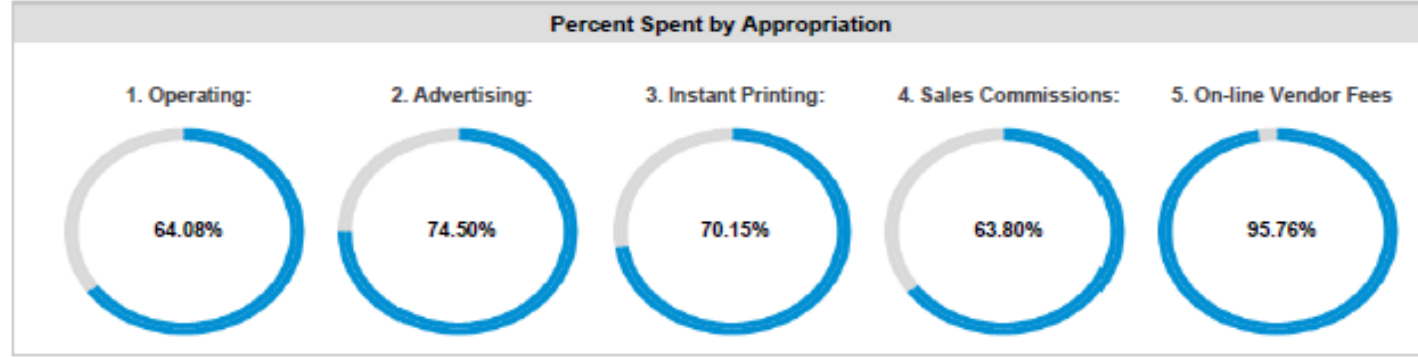
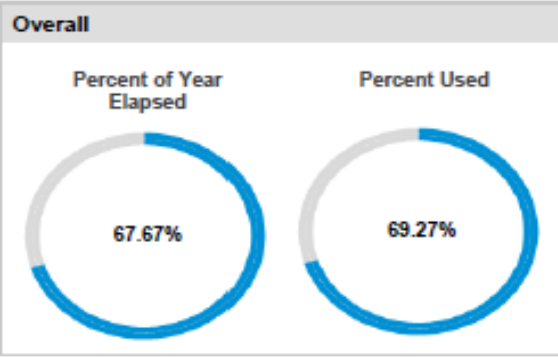


Based on Tickets Sold - Pull Tabs

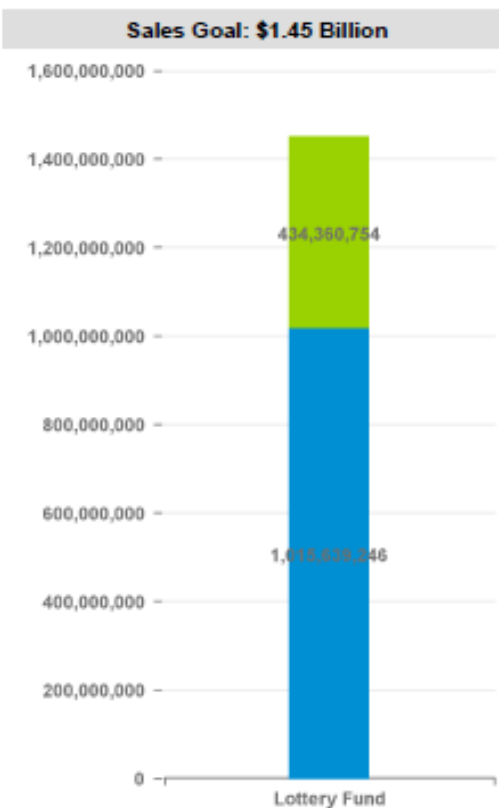




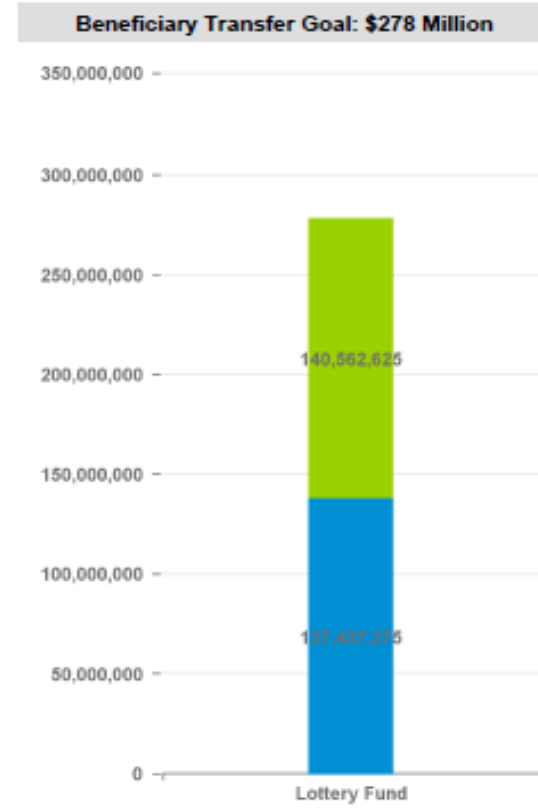
FY24 Year-to-date Financial Status



Budget by Appropriation Type and Object Class



Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used
1. Operating:	0000 - Appropriation Budget	10,475,200	-	-	10,475,200	
	6000 - Personal Services	-	3,070,971	-	-3,070,971	
	6100 - Employee Related Expenditures	-	1,161,599	-	-1,161,599	
	6200 - Professional And Outside Services	-	361,710	246,125	-607,835	
	6500 - Travel - In-State	-	16,815	1,885	-18,700	
	6600 - Travel - Out-Of-State	-	24,408	12,342	-36,749	
	7000 - Other Operating Expenditures	-	916,679	799,071	-1,715,749	
	8500 - Non-Capital Equipment	-	4,294	11,878	-16,172	
	9100 - Transfers Out	-	52,877	31,884	-84,761	
Total:		10,475,200	5,609,351	1,103,185	3,762,664	64.08%
2. Advertising:	0000 - Appropriation Budget	15,500,000	-	-	15,500,000	
	7000 - Other Operating Expenditures	-	7,057,007	4,490,441	-11,547,448	
	Total:	15,500,000	7,057,007	4,490,441	3,952,552	74.50%
3. Instant Printing:	0000 - Appropriation Budget	37,965,000	-	-	37,965,000	
	7000 - Other Operating Expenditures	-	15,083,432	11,549,110	-26,632,542	
	Total:	37,965,000	15,083,432	11,549,110	11,332,458	70.15%
4. Sales Commissions:	0000 - Appropriation Budget	97,086,500	-	-	97,086,500	
	7000 - Other Operating Expenditures	-	58,561,693	3,382,793	-61,944,486	
	Total:	97,086,500	58,561,693	3,382,793	35,142,014	63.80%
5. On-line Vendor Fees:	0000 - Appropriation Budget	17,753,633	-	-	17,753,633	
	6200 - Professional And Outside Services	-	13,314,126	3,685,874	-17,000,000	
	Total:	17,753,633	13,314,126	3,685,874	753,633	95.76%
Grand Total:		178,780,333	99,625,609	24,211,403	54,943,321	



Rem. Revenue Budget YTD Revenue

Rem. Transfers Transfers

Arizona
Lottery

TM

New Business Item #1
Instant Scratch Game Profiles
Report to Arizona Lottery Commission
March 15, 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: *Million Dollar Crossword* #1455, *Hit the Jackpot* #1457, *Lucky 10* #1458, and *\$500,000 Gold Rush* #1459.

Million Dollar Crossword #1455. This \$30 game has a top prize of \$1,000,000 (30-year annuity) or a one-time cash payment to be determined when the prize is claimed. This game will be printed at a quantity of approximately 2.2 million tickets.

Hit the Jackpot #1457. This \$5 game has a top prize of \$50,000. This game will be printed at a quantity of approximately 2.1 million tickets.

Lucky 10 #1458. This \$10 game has a top prize of \$100,000. This game will be printed at a quantity of approximately 2 million tickets.

\$500,000 Gold Rush #1459. This \$20 game has a top prize of \$500,000. This game will be printed at a quantity of approximately 2.1 million tickets.

Attachments (Commissioners only)

New Business Item #2
Players Club Promotion Profile #133
Report to Arizona Lottery Commission
March 15, 2024

This report has been provided to the Lottery Commission regarding the Caliente Cash Million Dollar Getaway 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: Caliente Cash Million Dollar Getaway.

Caliente Cash Million Dollar Getaway Promotion Profile #133

Starting April 2, 2024 players will be able to enter winning and non-winning eligible Instant Scratch and Fast Play™ game tickets for a chance to win a four-night trip to Miami, Florida that includes tickets to Billboard's Latin Music Awards show and a chance to win \$1,000,000.

Attachments (Commissioners only)