

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING FEBRUARY 20, 2020

Executive Director Carey called the Commission meeting into session at 9:00 a.m. in the Lottery Office located at One Lawrence Park Complex, Lawrenceville, New Jersey.

COMMISSION MEMBERS PRESENT

Robert D'Anton, Chairman (by phone)
Marilyn Blazovsky, Vice Chair (by phone)
Dini Ajmani, Treasurer's Designee (by phone)
Gary Terwilliger, Division of Investment Designee (by phone)

James A. Carey, Jr., Executive Director
Robert E. Kelly, Deputy Attorney General
Craig Ambrose, Governor's Auth. Unit (by phone)

VISITORS

Adam Perlow, Northstar
Erica Helms, Northstar
Foster Krupa, Northstar
Sam Fromkin, Northstar
Adrienne Haas, PureRed
Desiree Maurin, Marketsmith
Rob Bochicchio, Marketsmith

STAFF

Fran Edwards
Jerry Guarino
Dean Ialacci
Robert Kersey
Kalliopi Kostis
Jason Lee
Charlene Mello
Daniel O'Brien
Rick Pagnani
Steve Palmieri
Debbie Raub
Mary Ann Rivell
Ryan Schaffer
Margaret Square
John White

After the Pledge of Allegiance, Executive Director Carey announced that the Lottery was in compliance with the provisions of the Open Public Meetings Act and that adequate notice of the meeting had been provided in the manner prescribed by law.

Executive Director Carey requested a motion to approve the minutes of the January 16, 2020 Commission meeting. Vice Chair Blazovsky made the motion, which was seconded by Chairman D'Anton. Executive Director Carey asked if there were any comments and there being none, the motion carried.

NEW BUSINESS

Executive Director Carey certified that consideration for each game included, but was not limited to, intended target market, product family, seasonal factors, launch plans, overall market strategy, sales goals, prior experience, current market trends and market place demands. Additionally, as part of our overall responsible gaming initiatives, these games have been reviewed to identify any problematic elements that could present a risk to vulnerable problem gamblers.

Executive Director Carey requested a motion to approve the instant ticket game rules for "\$3,000,000 Mega Bucks," "Quick \$100s" and "Ruby-Emerald-Sapphire Mine 20x." Chairman D'Anton made the motion which was seconded by Investment Designee Terwilliger. Executive Director Carey asked if there were any comments and there being none the motion carried.

Executive Director Carey requested a motion to approve the official game rules governing the "50th Anniversary Kickoff to Summer Raffle." The New Jersey Lottery will be conducting a raffle beginning in May. The raffle will have a \$20 prize point and the top prize will be \$2 million. Investment Designee Terwilliger made the motion which was seconded by Chairman D'Anton. Executive Director Carey asked if there were any questions.

Vice Chair Blazovsky asked what the projection of revenue is that this game will generate. Executive Director Carey asked Adam Perlow, Vice President and Chief Operating Officer of Northstar, to respond. Mr. Perlow stated that sales are projected to be between \$8 million and \$10 million. Net income is expected to be \$2.9 million to \$4.3 million. Executive Director Carey asked if there were any questions and there being none, the motion carried.

Executive Director Carey requested a motion to approve the amendment to the general rules governing Jersey Cash-5. Investment Designee Terwilliger made the motion which was seconded by Chairman D'Anton. Executive Director Carey asked if there were any questions.

Vice Chair Blazovsky asked what the projection of sales and revenue will be from Jersey Cash-5. Executive Director Carey responded that sales are projected to increase from about 4% to 8%. It is expected to generate an additional \$2 million to \$4 million in net revenue. Executive Director Carey asked if there were any other questions and there being none, the motion carried.

DIRECTOR'S REPORT

Executive Director Carey reviewed the Lottery's January results and activities. Highlights were:

All games total sales were: \$278.5 million
Lotto games total sales were: \$44.7 million
Daily machine games total sales were: \$79.3 million
Scratch-Off Tickets total sales were: \$154.4 million

Executive Director Carey stated that Pick-6 had sales of \$4.9 million compared to \$4.7 million the prior year, which was an increase of 5.3%.

Executive Director Carey stated that Mega Millions had sales of \$11.8 million compared to \$15 million the prior year, which was a decrease of 21.3%.

Executive Director Carey stated that Pick-3 had sales of \$33.7 million compared to \$33.5 million the prior year, which was an increase of 0.6%.

Executive Director Carey stated that Pick-4 had sales of \$21.9 million compared to \$21.7 million the prior year, which was an increase of 1%.

Executive Director Carey stated that Jersey Cash 5 had sales of \$10.2 million compared to \$11.3 million the prior year, which was a decrease of 9.9%.

Executive Director Carey stated that Cash Pop had sales of \$2.1 million.

Executive Director Carey stated that New Jersey only games had sales of \$238.7 million compared to \$234.8 the prior year, which was an increase of 1.7%.

Executive Director Carey stated that fiscal year to date Mega Millions had sales of \$88.2 million compared to \$203.9 million the prior year, which was a decrease of 56%.

Executive Director Carey stated that fiscal year to date Powerball had sales of \$84 million compared to \$120.4 million the prior year, which was a decrease of 30%.

Executive Director Carey stated that fiscal year to date Lotto games had sales of \$241.3 million compared to \$400.9 million the prior year, which was a decrease of 39%.

Executive Director Carey stated that fiscal year to date Jersey Cash-5 had sales of \$77 million compared to \$91 million the prior year, which was a decrease of 15%.

Executive Director Carey stated that fiscal year to date Scratch-Offs had sales of \$1.096 billion compared to \$1.075 billion the prior year, which was an increase of 2%.

Executive Director Carey stated that fiscal year to date all games had total sales of \$1.89 billion compared to \$2.04 billion the prior year, which was a decrease of 7.1%.

Executive Director Carey stated that the monthly Pension Fund contribution was \$86.86 million, which was an increase of 13.5%. It represented 31.18% of sales compared to 28.95% the prior year.

The contribution to date to Pension Fund L for the fiscal year was \$553 million compared to \$623 million the prior year, which was a decrease of 11%. The contribution was 29.15% of total sales compared to 30% last year.

Executive Director Carey stated that net proceeds for the fiscal year to date were \$553.2 million or 29.15% of sales. Lotto games were \$100.9 million or 40% of sales. Daily games were \$211.5 million or 38.5% of sales. Instant games were \$234 million or 21.3% of sales.

Executive Director Carey concluded the Director's Report.

Executive Director Carey asked if there were any questions or comments.

Executive Director Carey requested a motion to approve the Director's Report. Chairman D'Anton made the motion, which was seconded by Investment Designee Terwilliger.

PUBLIC COMMENT

There was no Public Comment.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

Executive Director Carey asked for a motion to adjourn the Public meeting. Chairman D'Anton made the motion which was seconded by Investment Designee Terwilliger. The motion carried.

I HEREBY CERTIFY that the foregoing is a true and correct copy of the minutes of the New Jersey Lottery Commission meeting held on February 20, 2020.

IN WITNESS WHEREOF, I hereby set my hand on

the 12th day of March, 2020.



James A. Carey, Jr.
Executive Director