# NEW JERSEY STATE LOTTERY COMMISSION

## PUBLIC MEETING, APRIL 18, 2013

Vice Chairman Tucci called the Commission meeting into session at 10:00 AM in the Lottery Office located at One Lawrence Park Complex, Lawrenceville, New Jersey.

**COMMISSION MEMBERS PRESENT**
Thomas Tucci, Vice Chairman
Al Alvarez, Commissioner
Munr Kazmir, Commissioner (by phone)
Robert Slater, Commissioner
Roger Cohen, Treasurer Designee

Carole Hedinger, Executive Director
Kellie Pushko, Deputy Attorney General
Peter Simon, Gov's Auth. Unit (by phone)

**STAFF**
Regina Arcuri
Lou Cleary
Denise Coleman
Michael DeCheser
Janice Eckstein
Robert Kersey
Karen Kokoll
Jean Lin
Dolores Matos
Steve Palmieri
Mary Ann Rivell

After the Pledge of Allegiance, Vice Chairman Tucci asked for a moment of silence for the victims of the Boston Marathon bombing.

Vice Chairman Tucci 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.

Vice Chairman Tucci requested a motion to approve the minutes of the March 21, 2013 Commission Meeting. Commissioner Slater made the motion, which was seconded by Commissioner Kazmir. Vice Chairman Tucci asked if there were any comments and there being none the motion carried.

## DIRECTOR'S REPORT

Executive Director Hedinger stated that the sales for March 2013 compared to March 2012 revealed a decrease of 14.9% which was due to the record $656 Mega Millions jackpot in March 2012. She stated that when you have jackpots that reach $400 to $600 million the sales quadruple.

Executive Director Hedinger stated that we had a $338 Powerball jackpot which was won by someone in New Jersey and a press conference was held at Lottery headquarters. She stated that there was press worldwide.

Executive Director Hedinger stated that overall the year-to-date sales are slightly ahead of last year and feels that we will have a very successful year.

Executive Director Hedinger stated that the receipts and deposits for the month of March were $234 million.

Executive Director Hedinger stated that there were 76 Electronic Fund Transfer failures during the month of March.

Executive Director Hedinger stated that the balances in the unclaimed prize reserve accounts are $20.9 million.

Executive Director Hedinger stated that the current balances in the annuity investment accounts total $281.4 million.

Executive Director Hedinger stated that the non-core instant game sales during March were over $33 million.

Executive Director Hedinger stated that the core instant game sales during March were over $51 million.

Executive Director Hedinger stated that plans continued for a Pick 3 "Green Ball Double Draw" promotion which will start on April 29 and run through May 26. She stated that this has a retailer incentive connection where 200 retailers who increase their total Pick 3 sales by the greatest percentage during the Double Draw promotional period compared to their total Pick 3 sales for a 28 day prior period will win a $500 cash bonus prize. She stated that we will also kick in the increase retailer bonus payment that was approved by the Commission a few months ago.

Executive Director Hedinger stated that Lottery Facebook continues to be one of the most popular Facebook pages in all the State Lotteries with close to 80,000 likes at the end of March.

Executive Director Hedinger stated that we had a lot of press during the month of March. She stated that the Powerball winner walked in to Lottery Headquarters with his family in the morning and we scheduled a press conference for 2:00 that afternoon. She stated that it was standing room only for the press conference. She reported that it was a great job done by the entire staff and it looked so professional with only a few hours of planning.

Executive Director Hedinger stated that we live streamed this press conference with the Powerball winner and it is on YouTube.

Executive Director Hedinger reported that the Hess test store in Flemington had a 174% sales increase the last week of March.

Executive Director Hedinger stated that the Call Center handled 2,259 incoming calls and made 496 outgoing calls during the month of March.

Executive Director Hedinger reported that there were 143 security investigations and 134 random field inspections during the month of March.

Executive Director Hedinger stated that the Licensing Unit received and processed 76 Lottery applications and there were 53 licenses issued. She stated that there are 6643 licenses issued as of March 31, 2013.

Executive Director Hedinger stated that tax reporting files for 2012 have been produced and the files were uploaded to the IRS website.

Executive Director Hedinger reported that the message about "Problem Gambling Awareness Month" was added to our website and VIP Club emails.

Executive Director Hedinger stated that the VIP Club increased its membership with 5,356 new registrations during the month of March and it now has an enrollment of 250,607 active members.

Executive Director Hedinger reported that the Validation Staff received over 3,797 claim forms during the month of March and there were 22 social security matches between our files and various agencies for arrearages.

Executive Director Hedinger noted that all drawing and pool closings were held in accordance to established procedures with no abnormalities.

Executive Director Hedinger stated that this concludes the Director's Report.

Vice Chairman Tucci asked if there were any comments on the Director's Report.

Commissioner Slater followed up on his request last month about seeking legal or legislative approval to offer the VIP Club members special retail discounts.

Executive Director Hedinger stated that she does not have any additional information. She stated that she will be meeting with the Treasurer later today and will discuss whatever initiatives we would want to put forward to request legislation.

Vice Chairman Tucci asked if there were any other comments on the Director's Report and there being none asked for a motion to approve the Director's Report. Commissioner Kazmir made the motion which was seconded by Commissioner Slater. The motion carried.

## NEW BUSINESS

Executive Director Hedinger 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.

Vice Chairman Tucci requested a motion to approve the instant ticket game rules for "Gold Bar Bingo." Commissioner Kazmir made the motion which was seconded by Commissioner Alvarez. Vice Chairman Tucci asked if there were any comments and there being none the motion carried.

Vice Chairman Tucci requested a motion to approve the instant ticket game rules for "Cash Lines." Commissioner Slater made the motion which was seconded by Commissioner Alvarez. Vice Chairman Tucci asked if there were any comments and there being none the motion carried.

Vice Chairman Tucci requested a motion to approve the instant ticket game rules for "Golden Nugget." Commissioner Alvarez made the motion which was seconded by Commissioner Kazmir. Vice Chairman Tucci asked if there were any comments and there being none the motion carried.

## PUBLIC COMMENT

There was no public comment.

## EXECUTIVE SESSION

Commissioner Alvarez made a motion to go into Executive Session to discuss pending litigation which was seconded by Commission Slater.

Deputy Attorney General Pushko stated that be it resolved that pursuant to N.J.S.A. 10:4-13, that the Lottery Commission enter into executive session during which the public shall be excluded to discuss potential pending litigation. She stated that any matter discussed in Executive Session that the subject and the nature of the discussion will be timely made known to the public if and when the need for confidentiality ends.

The motion carried.

**ADJOURNMENT**

Following the conclusion of the Executive Session, the Commission resumed the public portion of the meeting. There being no further business, Vice Chairman Tucci asked for a motion to adjourn the Public meeting. Commissioner Alvarez made the motion which was seconded by Commissioner Kazmir. 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 April 18, 2013.

IN WITNESS WHEREOF, I hereby set my hand on

the 17th day of May, 2013.

Carole Hedinger
Executive Director