

## NEW JERSEY STATE LOTTERY COMMISSION

### PUBLIC MEETING, APRIL 19, 2012

Vice Chairman Kazmir called the Commission meeting into session at 11:00 AM in the Lottery Office located at One Lawrence Park Complex, Lawrenceville, New Jersey.

#### COMMISSION MEMBERS PRESENT

Frank Ragazzo, Chairman (by phone)  
Munr Kazmir, Vice Chairman  
Al Alvarez, Commissioner  
Robert Slater, Commissioner  
Thomas Tucci, Commissioner  
Chris Jeter, Treasurer's Designee

Carole Hedinger, Executive Director  
Jennifer Linett, Deputy Attorney General  
John Cascarano, Gov's Auth. Unit (by phone)

#### STAFF

Regina Arcuri  
Lou Cleary  
Denise Coleman  
Michael DeCheser  
Judy Drucker  
Robert Kersey  
Karen Kokoll  
Foster Krupa  
Jean Lin  
Dolores Matos  
Steve Palmieri  
Margaret Square

#### VISITORS

Russ Knapp, Gtech  
Joan Mueller, Brushfire

After the Pledge of Allegiance, Vice Chairman Kazmir 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 Kazmir requested a motion to approve the minutes of the March 22, 2012 Commission Meeting. Commissioner Slater made the motion, which was seconded by Commissioner Tucci. Vice Chairman Kazmir asked if there were any comments and there being none the motion carried.

#### DIRECTOR'S REPORT

Executive Director Hedinger stated that the sales for the month of March totaled \$308.92 million, which represented an increase of 17.9% over last year's monthly sales. She stated that we had a world record breaking Mega Millions jackpot that cumulated at the end of March. She stated that the \$656 million jackpot prize had three different winning tickets sold in three different states. She stated that it created all kinds of excitement throughout the world.

Executive Director Hedinger reported that we are only about ½ percent off of our targeted budget but we are 4½ % ahead of last year in actual sales. She stated that the performance on all of our games through March were very good. She stated that the contribution to the State is over \$697 million.

Executive Director Hedinger stated that the receipts and deposits for the month of March were \$261.5 million.

Executive Director Hedinger stated there were 66 electronic fund transfer (EFT) failures during the month of March.

Executive Director Hedinger stated that the balances in the unclaimed prize reserve accounts are over \$20 million.

Executive Director Hedinger noted that the balances in the annuity investment accounts are \$337 million.

Executive Director Hedinger reported that New Jersey Lottery continues leading in the social media area. She stated that our Facebook continues to be one of the most popular Facebook pages in all the State Lotteries. She stated that as of today we have over 53,000 fans on Lottery's Facebook.

Executive Director Hedinger stated that the total views on "You Tube" increased during the month of March and we are working on increasing the number of our Twitter followers.

Executive Director Hedinger stated that the media and public relation efforts that went on during the month of March were really big especially in the last week in connection with the Mega Millions jackpot. She stated that positive information was released to the public on how to conduct a Lottery pool. She stated that this was picked up throughout the country. She stated that she had requests from various radio stations and with the Mega Millions jackpot rolling at the same time, people were joining Lottery pools and this gave us a lot of exposure.

Executive Director Hedinger stated that ABC 20/20 came to Lottery headquarters to do a segment. She stated that she also was interviewed by Fox News and NJ 12.

Executive Director Hedinger reported that Lottery participated in the Belmar and Ocean County St. Patrick Day parades during the month of March.

Executive Director Hedinger noted that there were three Speaker Bureau presentations during the month of March and urged the Commissioners to get in touch with us if they have any groups who are interested in hearing about the NJ Lottery and where the money goes.

Executive Director Hedinger stated that a joint press conference was held at Lottery Headquarters with the Council on Compulsive Gambling, Division of Mental Health and Addiction Services and Lottery regarding Problem Gambling Awareness month.

Executive Director Hedinger reported that we have 6,153 retailers and we are quickly gearing up for a roll out with 500 additional terminals.

Executive Director Hedinger indicated that there were 193 security investigations and 57 random field inspections at retailer locations.

Executive Director Hedinger stated that we collected over \$12,000 during the month of March through the efforts of the NJ Lottery/Division of Taxation Joint Investigation Project. She stated that we have collected \$104,401.07 for FY'12 to date.

Executive Director Hedinger reported that the Office of Treasury Technology (OTT) is in the middle of the roll out of the new computers.

Executive Director Hedinger stated that IMS responded to 162 email request and inquiries from VIP Club members and users during the month of March.

Executive Director Hedinger noted that the VIP club has an enrollment of over 224,000 active members as of March.

Executive Director Hedinger stated that the Validation staff received and sorted 4,087 claim forms during the month of March.

Executive Director Hedinger stated that 20 claims were processed and garnished for Child support arrearages, student loans and public assistance and food stamp program totaling over \$22,000.00.

Executive Director Hedinger stated that all the Pool Closings and Drawings were held with no abnormalities.

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

Commissioner Tucci stated that the advertising and press releases during the Mega Millions campaign were fabulous. He stated that the staff and Executive Director did a great job.

Executive Director Hedinger thanked Commissioner Tucci and credited Public Relations Manager Judy Drucker who was tireless in her efforts to get those press releases out.

Vice Chairman Kazmir asked if there were any other comments and there being none asked for a motion to approve the Director's Report. The motion was made by Commissioner Slater and seconded by Commissioner Tucci. 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 Kazmir requested a motion to approve the instant ticket game rules for "Cash Cow." Commissioner Slater made the motion which was seconded by Commissioner Tucci. Vice Chairman Kazmir asked if there were any comments and there being none the motion carried.

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

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

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

### **PUBLIC COMMENT**

There was no public comment.

### **EXECUTIVE SESSION**

Vice Chairman Kazmir stated that be it resolved that pursuant to N.J.S.A. 10:4-13, the Lottery Commission enter into Executive Session during which the public shall be excluded to discuss matters on pending anticipated contract negotiations with outside vendors and retailers pursuant to N.J.S.A. 10:4-12 sections 7. He stated that as to any matter discussed in Executive Session the subject and nature of the discussion will be timely made known to the public if and when the need for confidentiality ends.

Vice Chairman Kazmir requested a motion to go into Executive Session. Commissioner Tucci made the motion which was seconded by Commissioner Slater. The motion carried.

**ADJOURNMENT**

Vice Chairman Kazmir asked if there was any other business to be discussed in open session and there being none, asked for a motion to adjourn. Commissioner Alvarez made the motion, which was seconded by Commissioner Tucci. 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 19, 2012.

IN WITNESS WHEREOF, I hereby set my hand on

the 29<sup>th</sup> day of May, 2012.

Carole Hedinger

Carole Hedinger  
Executive Director