



THE OHIO LOTTERY COMMISSION  
MEETING MINUTES  
JANUARY 10, 2024  
IN PERSON/VIA TELECONFERENCE

Members of the Commission

Matthew Blair, Chairman  
James Brady, Vice Chairman (absent)  
Caryn Candisky  
Nita Gupta  
Jonathan Hughes (Via Teams)  
Angela Mingo  
Mark Rickel  
Martin Sweeney  
Matthew Szollosi

Ohio Lottery Commission Attendance (In-Person & Remote)

Michelle Gillcrist, Director  
Nicole Kostura, Assistant Director  
Terri Jones, Office of Marketing  
Chuck LoPresti, Chief Legal Counsel  
Dan Carter, Office of Legal Counsel  
Meg Rasmussen, Office of Legal Counsel  
Joan French, Office of Legal Counsel  
Maureen Hall, Chief Information Officer, Office of Information Technology  
Michael Gonzalez, Chief Data Analytics Officer  
Raymond Durant, Deputy Director, Office of Investigations & Security  
Tom Ackerman, Deputy Director, Office of Marketing  
Ron Fornaro, Scratch-Off Product Manager, Office of Product Innovation  
Marty Morrow, Deputy Director, Product Innovation  
Ian Litherland, Office of Legal Counsel  
Rick Perk, Deputy Director, Office of Sales  
Edward Slyman, Deputy Director, Office of Finance  
Danielle Frizzi Babb, Deputy Director, Office of Communications  
Simeonia Mays, Deputy Director, Office of VLT Operations  
Greg Beyer, Deputy Director, Office of Internal Audit  
Jimmie Hicks, Deputy Director Office of Responsible Gambling  
Percy Turner, Deputy Director, Office of General Services  
Ken Dauenhauer, Office of Marketing  
Nick Ciofani, Deputy Director, Office of Government & Community Relations  
Allison Turner, Office of Marketing  
Thomas Spayd, Office of VLT Operations  
Marni Santori, Office of Legal Counsel

Jon Dillinger, Office of Sports Betting  
Valerie Murphy, Office of Internal Audit  
Rebecca McLemore, Office of Marketing  
Brent Collier, Office of Internal Audit  
Pam Strickland, Office of Product Innovation  
Susan Diamond, Office of Responsible Gambling  
Daniel Davis, Office of General Services  
Scott Frost, Office of Operations  
Steven Davis, Office of General Services  
Reginald Willis, Office of Security Services  
Marni Santori – Office of Legal Services  
Joseph Volpi, Office of Internal Audit  
Samantha Crites, Office of Internal Audit  
Patricia Anderson, Office of Investigations & Security  
Sharisse Russell, Office of VLT Operations

#### Additional Attendees

Kathy Lenhardt, Hollywood Gaming at Mahoning Valley  
Gina Lawwill, Miami Valley Gaming  
Larry King, IGT  
Colleen Rowan, IGT  
Jennifer Park, Aftermath  
Holly Guenther, Boyd Gaming  
George Balajan, Intralot  
Debbie Pirone, Marcus Thomas  
Sarah O'Driscoll, Fahlgren Mortine  
Carla Kuchta, Intralot  
Andy Ashbury, Jack Entertainment  
Tim Kelley, Penn Entertainment  
Matthew Becker, Penn Entertainment  
Matt Buckley, MGM Grand  
Chris Volle, Jack Entertainment  
Scott Chapin, Marcus Thomas LLC  
Anthony Aquillo, The Success Group  
Craig Robinson, Miami Valley Racino  
Emily Beedlow, Aftermath  
Jess Panora, MGM Northfield Park  
Kyle Wentz, MGM Northfield Park  
Dustin Ensinger, Gongwer

#### Call to Order and Pledge of Allegiance

Chairman Blair called the meeting of the Ohio Lottery Commission to order at 12:00 p.m.

#### Election of 2024 Officers

Chairman Blair announced that the Lottery Commission is required by Ohio Revised Code Section 3770.01(D) to have the annual election of our 2024 Officers, including chairperson and vice chairperson. Chairman Blair asked Commissioner Sweeney to call for nominations and conduct the election.

Commissioner Sweeney called for the Election of the 2024 Chairperson. Commissioner Candisky nominated Matthew Blair to be Chairperson. The Motion was seconded by Commissioner Szollosi. Roll call was given and the Motion was affirmatively voted upon by all Commissioners present at the meeting.

Chairman Blair resumed his role presiding over the meeting and announced the election Vice Chair. Chairman Blair nominated James Brady for the position. The Motion was seconded by Commissioner Mingo. Roll call was given and the Motion was affirmatively voted upon by all Commissioners present at the meeting.

*Chairman Blair noted that Commissioner Hughes' votes were via Teams and could not be counted for the official record.*

#### Appointment of Audit Committee

Chairman Blair announced that the members of the Lottery's Audit Committee review the annual plan prepared by the Internal Audit, including the results of the internal and external audits. The Chairman recognized Commissioner Angela Mingo, Commissioner Martin Sweeney, and Commissioner Matthew Szollosi for their years of service to the Internal Audit Committee.

Chairman Blair asked Commissioner Mingo to serve as Chair of the Internal Audit Committee in 2024. Commissioner Angela Mingo agreed. Chairman Blair asked Commissioner Sweeney to continue his service as a member on the Audit Committee in 2024. Commissioner Sweeney agreed. Chairman Blair asked Commissioner Szollosi to continue his service as a member of the Audit Committee in 2024. Commissioner Szollosi agreed.

#### Recognition of Problem Gambling & Addition Services Liaison

Chairman Blair then recognized Commissioner Jonathan Hughes as the Commission's Problem Gambling & Addiction Services Liaison. Commissioner Hughes noted that it is an honor to serve.

#### Approval of Meeting Minutes

Chairman Blair requested approval of the minutes from the December 13, 2023, Commission meeting. Chairman Blair made a Motion to approve the minutes, seconded by Commissioner Sweeney. The Motion was affirmatively voted upon by the Commissioners present.

#### Internal Audit Update – Audit Committee Chair Angela Mingo

Audit Committee Chair Angela Mingo informed the Commission during the December Audit meeting that the agenda items of note included a report from the Auditor of State and the Quality Assurance Review of the Lottery's Internal Audit Department. The Auditor of State shared the results of the Lottery's annual financial reporting and IT controls audit, where there were no material issues noted.

Commissioner Mingo noted that the committee discussed the results of the Internal Audit Quality Assurance Review that is required by the Institute of Internal Auditors to be completed every 5 years. The purpose of the review is to assess the Internal Audit department's conformance with the Institute of Internal Auditors Standards and Code of Ethics. Commissioner Mingo reported that the review concluded that the Internal Audit Department generally conforms with the Standards and Code of Ethics, which is the highest possible rating.

Commissioner Mingo stated that the committee reviewed the results of the Fixed Assets Inventory Controls audit which found that there were no material issues noted during the audit. Lastly, Commissioner Mingo noted that the Audit Committee continues to monitor the implementation process of prior audit recommendations.

#### Approval of Five (5) Scratch-Off Games available in Recission in Proposed and Final Form

Chief Legal Counsel Chuck Lopresti, presented Five (5) scratch-off games for approval:

- Rule 3770:1-9-725, *Lucky Green*
- Rule 3770:1-9-737, *Ghostbusters™*

- Rule 3770:1-9-751, *Frosty the Doughman*
- Rule 3770:1-9-752, *Winter Winnings*
- Rule 3770: 1-9-753, *\$150,000 Winter Spectacular*

Chairman Blair moved to approve the five (5) scratch-off games, with Commissioner Gupta offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

#### Resolution to Approve Video Lottery Terminal Game Themes

Chief Legal Counsel LoPresti presented a Resolution to approve thirty-six (36) Video Lottery Terminal (VLT) game themes for inclusion in the video lottery game theme library. Chairman Blair moved to approve the Resolution, with Commissioner Mingo offering a second to the Motion. The Motion was approved.

#### Office of Finance Report

Chief Fiscal Officer, Ed Slyman provided the Commission with a financial update for the month of December. Total sales from traditional lottery games for the month were \$425.2 million, which was \$35.2 million, or 9 % higher increase over last December.

Mr. Slyman noted that draw-based game sales for December were \$183.9 million, which was up \$13.6 million from last year. Pick Games were up \$5.9 million, and Keno was up \$1.1 million over same month last year. Mega Million sales were \$8.6M or down by \$9.9M or 54% versus last December. Mr. Slyman stated that this is primarily due to the large jackpot offered last which rolled from \$333M to \$785 during this time period.

Mr. Slyman reported that Scratch-Off game sales for the month were \$241.3 million, up approximately \$21.6 million higher than last year. Mr. Slyman reported that Holiday Game Total sales (12 Weeks) were \$152.6 million. This is the highest total for holiday game sales in the history of the Lottery, surpassing the record set in December of 2021.

Turning to Video Lottery, Mr. Slyman reported that Gross Gaming Revenue from VLTs equaled \$120.4 million, which was \$11.2 million more than last December or 10.3%.

Lastly, Mr. Slyman reported that for the first half of fiscal year 2024, traditional lottery sales were \$2.3 billion, which is \$84.4 million over same time last year. Notably, draw-based game sales total \$1.13 billion, which is \$15.9 million over last year, and Scratch-Off ticket sales were \$1.18 billion which is up \$68.6 million over last year. VLT net revenue for the first quarter totaled, \$673.4 million which represents an increase of \$13.2 million over last year.

#### Director's Report

Director Gillerist reported that the Lottery's transfer to the Lottery Profits Education Fund (LPEF) for the month of December was \$137.4 million. This transfer was \$13.9 million more than our budgeted commitment for the month and \$14.9 million more than last December. Director Gillerist noted that for the first half of the fiscal year, total profits were \$790.2 million, or \$42.2 million higher than our commitment and \$20.6 million ahead of last year.

Director Gillerist reported that the Lottery kicked off its 50<sup>th</sup> Anniversary with the launch of its second \$50 ticket. The Director noted the promotions to celebrate the anniversary and highlighted "Fun Turns 50" second chance promotion which will culminate in an exclusive event in September. Commissioners were presented with a sample of the new 50<sup>th</sup> Anniversary ticket.

Director Gillerist addressed the cybersecurity incident that took place on December 24, 2023, emphasizing that the incident only impacted the Lottery's internal applications and did not impact the games or the technology system on which they operate. The Director noted that the Lottery is diligently working to resolve the situation and winning tickets over \$599 can be mailed to Lottery headquarters or cashed via the mobile cashing application.

### EXECUTIVE SESSION

Chairman Blair noted that this concluded the public portion of the meeting and a motion to adjourn into Executive Session per Ohio Revised Code Section 121.22(G), which authorizes a public body to hold an Executive Session for specific reasons, including the purpose of discussing Lottery security and emergency response protocols.

Commissioner Szollosi offered the second to the Motion and all Commissioners present voted in the affirmative. Chairman Blair noted that Executive Session began at 12:26 p.m.

Executive Session ended at 1:01p.m. with Chairman Blair moving to adjourn Executive Session. Commissioner Sweeney seconded the Motion and all Commissioners present voted in the affirmative.

### ADJOURNMENT

With no further business before the Ohio Lottery Commission, Chairman Blair informed Commissioners that the next meeting will be held on Wednesday, February 14, 2024, at 12:00 p.m. via teleconferencing and in person.

Respectfully Submitted,



Michelle Gillcrist  
Director



Matthew Blair  
Commission Chair