



THE OHIO LOTTERY COMMISSION
MEETING MINUTES
April 17, 2024
IN PERSON/VIA TELECONFERENCE

Members of the Commission

Matthew Blair, Chairman
James Brady, Vice Chairman
Caryn Candisky (Via Teams)
Nita Gupta
Jonathan Hughes
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
Marilyn Berrios, Office of Executive
Chuck Lopresti, Chief Legal Counsel
Dan Carter, Office of Legal Counsel
Meg Rasmussen, Office of Legal Counsel
Joan French, Office of Legal Counsel
Raymond Durant, Deputy Director, Office of Investigations & Security
Tom Ackerman, Deputy Director, Office of Marketing
Marty Morrow, Deputy Director, Product Innovation
Aaron Hurst, Office of Product Innovation
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
Jimmie Hicks, Deputy Director Office of Responsible Gambling
Percy Turner, Deputy Director, Office of General Services
Jonathan Dillinger, Office of Sports Gaming
Nick Ciofani, Deputy Director, Office of Government & Community Relations
Thomas Spayd, Office of VLT Operations
Marni Santoro, Office of Legal Counsel
Rebecca McLemore, Office of Marketing
Brent Collier, Office of Internal Audit
Carla Reeves, Office of Sports Gaming
Alexander Snyder, Office of Sports Gaming

Jacqueline Cunningham, Office of Communications
Samantha Crites, Office of Internal Audit
Marie Kilbane-Seckers, Office of Communications
Bryan Robinson, Office of Communications
Angela McCracken, Office of Sports Gaming
Margaret Tomaro, Office of Legal Counsel
Allison Turner, Office of Marketing
Scott Basom, Office of Investigations and Security
Theresa Jones, Office of Marketing
Chelsea Heck, Office of Sales
Valerie Murphy, Office of Internal Audit
Michael Gonzalez, Deputy Director, Office of Data Analytics
Ricky Neal, Office of VLT
Azra Gusic, Office of General Services
Elizabeth Alex, Office of Human Resources

Additional Attendees

Kathy Lenhardt, Hollywood Gaming at Mahoning Valley
Samantha Alonso, MGM Northfield Park
Mike Buzzelli, PGNO
Larry King, IGT
Jaime Stanzak, Marcus Thomas
Jennifer Park, Aftermath
Rachel Clark, Attorney General Office
Sarah O'Driscoll, Fahlgren
Kelsey Culbertson, Success Group
Todd DeBoe, Attorney General Office
Ed Dick, JACK Entertainment
Carla Kuchta, Intralot
George Balajan, Intralot
Kevin Davis, Miami Valley Gaming
Gina Lawwill, Miami Valley Gaming
Holly Guenther, Boyd Gaming
Matthew Barrack, MGM
Drew Ellis, Catena Media
Chris Hughes
419-366-5534
216-324-4113

Call to Order and Pledge of Allegiance

Chairman Blair called the meeting of the Ohio Lottery Commission to order at 12:03 p.m.

Approval of Meeting Minutes

Chairman Blair requested approval of the minutes from the March 13, 2024, Commission meeting. Commissioner Szollosi made a motion that was seconded by Commissioner Mingo and was affirmatively voted upon by the Commissioners present.

Audit Committee Update

Audit Committee Chair Mingo provided an update on the March Audit Committee meeting. Commissioner Mingo stated that the status of the current year's audit plan had been reviewed. There were six projects completed with five additional projects currently underway. Commissioner Mingo also informed the Commission on a recent consulting engagement on the Lottery's fleet vehicle management and reminded the Commissioners to participate in the annual risk assessment.

Approval of nine (9) Scratch-Off Game Rules available for Rescission presented in Proposed and Final Form

Charles LoPresti, Chief Legal Counsel, presented nine (9) Scratch-Off Game Rules available for Rescission in Proposed and Final Form:

- 3770:1-9-461 Game rule number four hundred sixty-one, \$5 Million Payout (\$20.00)
- 3770:1-9-488 Game rule number four hundred eighty-eight, \$100 Million Cash Extravaganza (\$20.00)
- 3770:1-9-552 Game rule number five hundred fifty-two, Cash Celebration (\$30.00)
- 3770:1-9-700 Game rule number seven hundred, Monopoly™ \$50 a Day for Life (\$1.00)
- 3770:1-9-702 Game rule number seven hundred two, Monopoly™ \$10,000 a Month for Life (\$5.00)
- 3770:1-9-712 Game rule number seven hundred twelve, Magic 8 Ball™ (\$2.00)
- 3770:1-9-715 Game rule number seven hundred fifteen, Ohio Bonus Cash (\$10.00)
- 3770:1-9-718 Game rule number seven hundred eighteen, Match 2 Win (\$1.00)
- 3770:1-9-719 Game rule number seven hundred nineteen, 7s (\$2.00)

Chairman Blair moved to approve the nine (9) scratch-off games available for Rescission with Commissioner Gupta offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

Approval of five (5) Administrative Rules up for Five-Year Rule Review as "Amended" presented in Proposed Form

Charles LoPresti, Chief Legal Counsel, presented five (5) Administrative Rules up for their Five-Year rule Review in Proposed Form:

- 3770:1-9-53, Game rule number fifty-three "Classic Lotto"
- 3770:1-9-55, Game rule number fifty-five "Keno"
- 3770:1-9-955, Game rule number nine hundred fifty-five. "Powerball" with Appendix
- 3770:1-9-958, Game rule number nine hundred fifty-eight. "Mega Millions" newest version with Appendix
- 3770:1-9-959, Game rule number nine hundred fifty-nine. "The Lucky One" with Appendix

Chairman Blair moved to approve the five (5) Administrative Rules in Proposed Form, with Commissioner Sweeney offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

Approval of two (2) Administrative Rules up for Five-Year Rule Review as "No Change" presented in Proposed Form

Charles LoPresti, Chief Legal Counsel, presented two (2) Administrative Rules up for their Five-Year Rule Review in Proposed Form:

- 3770:3-01, Lottery sales agent; suspension or revocation of a license
- 3770:4-03, Sale of lottery games

Chairman Blair moved to approve the two (2) Administrative Rules in Proposed Form with Commissioner Gupta offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

Approval of five (5) Administrative Rules up for Five-Year Rule Review as “Amended Rules” presented in Proposed Form

Charles LoPresti, Chief Legal Counsel, presented five (5) Administrative Rules up for their Five-Year Rule Review in Proposed Form:

- 3770:4-09, Compensation and reimbursement of expenses to be paid licensed lottery sales agents
- 3770:1-2-02, Administrative Procedure Act
- 3770:1-2-03, Adoption, amendment, or rescission of rules by the commission
- 3770:1-5-03, Powers and duties of the commission
- 3770:1-5-10, Financial administration

Chairman Blair moved to approve the five (5) Administrative Rules in Proposed Form with Commissioner Szollosi offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

Approval of nineteen (19) Administrative Rules up for Five-Year Rule Review in Final Form

Charles LoPresti, Chief Legal Counsel, presented nineteen (19) Administrative Rules in Final Form:

- 3770:0-1-01, Definitions of terms used in the regulations of the director of the Ohio state lottery
- 3770:0-1-02, Director’s authority under Administrative Procedure Act
- 3770:1-2-01, Authority of the commission
- 3770:1-5-01, Scope and purpose of by-laws
- 3770:1-5-04, Meetings of the commission
- 3770:1-5-05, The director of the state lottery
- 3770:1-5-06, Deputy directors
- 3770:1-5-07, Professional employees
- 3770:1-5-08, Technical and clerical employees
- 3770:1-5-09, State lottery offices
- 3770:1-6-01, Conduct of lottery games by the state lottery
- 3770:1-6-03, Prices of lottery tickets
- 3770:1-6-06, Special lottery drawings and promotions
- 3770:1-6-07, Public information

- 3770:1-8-02, Manner of claiming prize awards
- 3770:1-8-03, Validation of winning tickets
- 3770:1-8-05, Discharge of payment obligation
- 3770:1-8-06, Director to adopt procedures
- 3770:2-10-60, Game rule number sixty

Chairman Blair moved to approve the nineteen (19) Administrative Rules in Final Form with Commissioner Brady offering a second to the Motion. The Motion was affirmatively voted upon by the Commissioners present.

Resolution to approve two (2) new EZPLAY® Touch & Win and Tap Game Themes

Charles LoPresti, Chief Legal Counsel, presented a resolution to approve two (2) new EZPLAY® Touch & Win and Tap Game Themes:

- Three Roll Jackpot
- Summer Fortune

Chairman Blair moved to approve the Resolution, with Commissioner Sweeney offering a second to the Motion. The Motion was approved by the remaining Commissioners present.

Resolution to Approve twenty- three (23) new Video Lottery Terminal (VLT) Game Themes

Charles LoPresti, Chief Legal Counsel, presented a Resolution to approve twenty-three (23) VLT game themes.

Commissioner Brady objected to one of the game themes named “Big Juan” as he was concerned it appeared offensive. Discussion ensued and Chairman Blair made a motion to amend the Resolution found on agenda item 12 to remove the “Big Juan” theme from the Resolution. Commissioner Brady seconded to the Motion and the Motion was affirmatively voted on.

Chairman Blair then moved to approve the amended Resolution with twenty-two (22) VLT game themes. Commissioner Sweeney seconded to the Motion and the Motion was approved by all Commissioners present.

Office of Finance Report

Chief Fiscal Officer Slyman provided the financial update for the month of March. Mr. Slyman stated that total sales from traditional lottery games for the month were \$424.7 million, which was \$28.4 million or 7.2% more than sales generated last year. Draw-based game sales for March were \$207.7 million, which was \$31.8 million or 18.1% higher than the same month last year.

Mr. Slyman reported that daily draw game sales were \$64.7 million, down \$3.3 million or -4.9% versus last year. Additionally, Mr. Slyman stated that multi-state games, such as Powerball, Mega Millions, and Lucky for Life generated sales of \$62.3 million, an increase of \$40.3 million, or 183.3% vs last year. Mr. Slyman attributed the gains to the fact that Mega Millions reached \$1.13 billion in March and Powerball ended the month with an advertised jackpot of \$950 million. CFO Slyman stated that Keno sales were \$56.3 million, down \$2.9 million or -5% compared to last year. Scratch-Off game sales for the month of March were \$217 million, \$3.3 million or 1.5% lower than last year.

Turning to the racino revenues, Mr. Slyman reported that Gross Gaming Revenue from VLTs equaled \$128.7 million, which was \$3.5 million, or 0.7% million less than last March. Mr. Slyman noted that this March’s performance was an all-time record for VLTs.

Lastly, Mr. Slyman reported that total prize expense for March was \$271.3 million, or 63.9% of sales, which is lower than normal. Year-to-date, traditional lottery sales are \$3.45 billion, up \$45.6 million when compared to the first

nine months of last year. Discussion ensued regarding the challenges of certain product lines, like Keno, due to the legalized competition of sports gaming. Chairman Blair commended the staff for continuing to meet these challenges and noted the importance of the Lottery's contribution to education.

Director's Report

Director Gillcrist reminded the Commission that the Lottery is a member of the Legislative Committee to study the future of gaming in Ohio. Ms. Gillcrist stated that each of the four scheduled meetings have ended. Throughout each session, several interested parties from the Casino, Sports Betting, Lottery, Retail, iGaming, iLottery, Charitable Gaming, Problem Gambling, Veterans and Horse Racing industries. The Committee is now tasked with issuing some type of recommendation or report and will sunset June 30th.

Director Gillcrist informed the Commission that she attended the Governor's "State of the State" address where he focused a lot of his attention on children's literacy and education initiatives. Director Gillcrist informed the Commission about the last Cabinet meeting where she had the opportunity to bring someone from the agency who is focusing on education initiatives at the agency level. The Director brought Molly Fanta, who is a former teacher and the Lottery's Partner's in Education coordinator. Ms. Fanta works to promote the Governor's literacy program in addition to her day-to-day work.

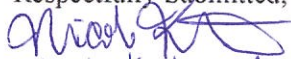
Director Gillcrist stated that the Lottery's transfer to the Lottery Profits Education Fund (LPEF) for the month of March was \$150.6 million, \$25.3 million more than last year, an all-time record. YTD transfers to the LPEF are \$1.17 billion, which is \$69.4 million ahead of our commitment and \$32.8 million over last year.

Lastly, Director Gillcrist invited Deputy Director of Communications, Danielle Frizzi-Babb, to show a recap video of how our Partner's in Education "School of the Year" from last year went. This video highlighted how Revere Middle School utilized their prize to help grow their "Revere Roasters" class program that teaches its students how to manage a business and provide excellent customer service.

ADJOURNMENT

With no further business before the Ohio Lottery Commission, Chairman Blair informed Commissioners that the next meeting will be held on Wednesday, May 8, 2024, at 12:00 p.m. via teleconferencing and in person. Chairman Blair adjourned the April 17, 2024, meeting at approximately 12:47 p.m.

Respectfully Submitted,


Nicole Kostura, Assistant Director
on behalf of

Michelle Gillcrist
Director



Matthew Blair
Commission Chair