



**MINUTES OF THE MEETING OF
THE OHIO LOTTERY COMMISSION**

**HELD AT:
THE FRANK J. LAUSCHE BUILDING
FOURTH FLOOR CONFERENCE ROOM
615 WEST SUPERIOR AVENUE - CLEVELAND, OHIO 44113**

**AUGUST 20, 2018
12:00 P.M.**

Present at the meeting were the following:

Members of the Commission:

James Brady
John Lewis
Trevor McAleer
Pat McDonald
William Morgan
Elizabeth Vaci
Sean Whalen

Executive Staff of the Commission:

Dennis Berg, Director
Greg Bowers, Deputy Director, Finance
Danielle Frizz-Babb, Deputy Director, Communications
Charles LoPresti, Chief Legal Counsel
Steve Kmiotek, Interim Deputy Director, General Services
Constance Miller, Deputy Director, Operations
Richard Perk, Deputy Director, Sales
Carla Tricarichi, Deputy Director, Public Policy
Jennifer Wilson, Deputy Director, Internal Audit
Traci Konesky, Assistant to the Director

Also Present Were:

Martin Morrow, Assistant Deputy Director of Sales
Jim Brown, Office of Information Technology
Karen Russo, Office of Public Policy
Marie Kilbane Seckers, Office of Communication
Rebecca McLemore, Office of Communications
Alexa Morocco, Office of Communications
Jim Nash, Marcus Thomas
John Walker, Scioto Downs
Greg Kolocin, Hard Rock Rocksino
Ed Dick, JACK Thistledown
Tony Frabbiele, Hollywood Gaming, Mahoning Valley
Dan Kennedy, Hollywood Gaming, Dayton
John Oberle, Ice Miller

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

- The Ohio Lottery Commission (“OLC”) meeting of August 20, 2018, was called to order at 12:01 p.m. at the Frank J. Lausche Building, Fourth Floor Conference Room by Chairman Pat McDonald, followed by the Pledge of Allegiance.

ROLL CALL

- The following members of the Commission answered present to the Roll Call: James Brady, John Lewis, Trevor McAleer, Pat McDonald, William Morgan, Elizabeth Vaci and Sean Whalen.

INTRODUCTION OF FIRST TIME ATTENDEES

- Chairman McDonald recognized first time attendees Dan Kennedy, the new General Manager for Hollywood Gaming, Dayton; and Alexa Morocco, a new employee in the Office of Communications.

APPROVAL OF MINUTES OF JULY 16, 2018

- Chairman McDonald requested a Motion to approve the July 16, 2018 Minutes. Commissioner Morgan made a Motion that was seconded by Commissioner Lewis. The Motion was affirmatively voted upon by all Commissioners present.

CHAIRMAN'S COMMENTS

- Chairman McDonald stated that the OLC kicked off the first month of the fiscal year well with \$266.5 million in sales for July. Mr. Bowers will be providing a fiscal year 2018 recap.
- Chairman McDonald stated that Ms. Frizzi-Babb will be showing a video on the OLC's Home Depot giveaway.
- Chairman McDonald stated that Commissioner Lewis will be presenting an update on the National Council on Problem Gambling ("NCPG") conference that took place last month.

NCPG CONFERENCE RECAP, COMMISSIONER JOHN LEWIS

- Commissioner Lewis gave a brief recap on the NCPG Conference that was held July 18, 2018 through July 21, 2018 in Cleveland at the Downtown Hilton.
- Ms. Tricarichi elaborated on details of the NCPG Conference.

DIRECTOR'S REPORT, DENNIS BERG, DIRECTOR

- Director Berg reported that July represented the first month of fiscal year 2019. Total Sales of \$266.5 million were up \$17.0 million or 7% higher compared to last July. The total sales of \$266.5 million was a record for the month of July.

- Multi-State game sales of \$29.4 million were up \$8.8 million or 43% higher than last July. This could be mostly attributed to higher jackpot offerings in both *Mega Millions*® and *Powerball*®.
- Director Berg reported that sales for the daily draw games such as *Pick 3*, *Pick 4* and *Pick 5* were \$49.6 million, up \$1.4 million or 3% from last July. *Pick 5* sales of \$3.4 million were a record for the month of July.
- Traditional *Keno* sales of \$34.6 million were \$2.4 million or 7% higher than last July and was an all-time monthly sales record for the month of July since the game went on sale in August 2008. *The Lucky One* sales were \$1.3 million for July.
- Director Berg reported that instant ticket sales of \$131.3 million were \$4.6 million or 4% higher than last July and was a record sales month for the month of July. VLT sales were \$88.9 million, of which \$29.8 million went to the OLC. On a gross sales basis, this is \$4.3 million more than last July.
- Transfers to the Lottery Profits Education fund of \$90.6 million, roughly \$1.1 million higher than last July's transfer and \$1.5 million over our projections. Transfers to the LPEF would have been higher, however, prize expense in the daily draw games was higher than normal in July.

APPROVAL OF FOUR (4) INSTANT GAME RULES IN FINAL FORM

- Mr. LoPresti brought before the Commission four (4) Instant Game Rules for approval in Final Form. The Rules are as follows:
 - Rule 3770:1-9-485, Snow Me the Money (\$1.00);
 - Rule 3770:1-9-486, Reindeer Games (\$2.00);
 - Rule 3770:1-9-487, Winter Ice Multiplier (\$5.00); and

- Rule 3770:1-9-488, \$100 Million Cash Extravaganza (\$20.00).
- Chairman McDonald then requested a Motion to approve the four (4) Instant Game Rules in Final Form. Commissioner Brady made a Motion that was seconded by Commissioner Whalen. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

MANDATORY RULE REVIEW PURSUANT TO CHAPTER 119 IN FINAL FORM -NEW

- Mr. LoPresti brought before the Commission one (1) Administrative Rule based on the Mandatory Rule Review Pursuant to Chapter 119, New, in Final Form. The Rule is as follows:
 - Rule 3770:2-3-11, *Video lottery licenses – tampered with and/or compromised video lottery terminals or games.*
- Chairman McDonald then requested a Motion to approve one (1) Administrative Rule based on the Mandatory Rule Review Pursuant to Chapter 119, New, in Final Form. Commissioner McAleer made a Motion that was seconded by Commissioner Vacì. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

MANDATORY RULE REVIEW PURSUANT TO CHAPTER 119 IN FINAL FORM -RESCISSION

- Mr. LoPresti brought before the Commission two (2) Administrative Rules based on the Mandatory Rule Review Pursuant to Chapter 119, Rescission, in Final Form. The Rules are as follows:

- Rule 3770:1-9-940, *Multi-state raffle*; and
 - Rule 3770:2-3-11, *Video lottery licenses -stolen, destroyed or compromised video lottery tickets or games.*
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- Chairman McDonald then requested a Motion to approve two (2) Administrative Rules based on the Mandatory Rule Review Pursuant to Chapter 119, Rescission, in Final Form. Commissioner Whalen made a Motion that was seconded by Commissioner Lewis. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

MANDATORY RULE REVIEW PURSUANT TO CHAPTER 119 IN FINAL FORM -AMENDMENTS

- Mr. LoPresti brought before the Commission one (1) Administrative Rule based on the Mandatory Rule Review Pursuant to Chapter 119, Amendments, in Final Form. The Rule is as follows:
 - 3770:2-12-1, *Facility requirements.*

- Chairman McDonald then requested a Motion to approve one (1) Administrative Rule based on the Mandatory Rule Review Pursuant to Chapter 119, Amendments, in Final Form. Commissioner Morgan made a Motion that was seconded by Commissioner Lewis. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**RESOLUTION TO APPROVE TOUCH & WIN EZPLAY® TAP GAME THEME,
JIM BROWN, OFFICE OF INFORMATION TECHNOLOGY**

- Mr. Brown brought before the Commission a Resolution to approve one (1) new Touch & Win EZPLAY® Tap Game Theme. The one (1) new Touch & Win EZPLAY® Tap Game Theme is as follows:
 - *Rakin' Riches.*
- Chairman McDonald then requested a Motion to approve the Resolution to approve one (1) new Touch & Win EZPLAY® Tap Game Theme. Commissioner Vaci made a Motion that was seconded by Commissioner Lewis. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**RESOLUTION TO APPROVE VIDEO LOTTERY GAME THEMES,
CONSTANCE MILLER, DEPUTY DIRECTOR**

- Ms. Miller brought before the Commission a Resolution to approve thirty-five (35) new Video Lottery Game Themes. These game themes have been internally reviewed for technical compliance, content and game matrix. The thirty-five (35) new Game Themes are as follows: ten (10) game themes submitted by Aristocrat; two (2) game themes submitted by Everi; ten (10) game themes submitted by IGT; eight (8) game themes submitted by ITS; three (3) game themes submitted by Konami; one (1) game theme submitted by Novomatic; and one (1) game theme submitted by WMS.
- Chairman McDonald then requested a Motion to approve the Resolution for thirty-five (35) new Video Lottery Game Themes. Commissioner Brady made a Motion that was seconded by Commissioner Whalen. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

OFFICE OF FINANCE REPORT, GREG BOWERS, DEPUTY DIRECTOR

- Mr. Bowers presented a detailed fiscal year 2018 year-end financial review to the Commission. The presentation compared fiscal year 2018 year-end sales to fiscal year 2017 year-end sales.

OFFICE OF COMMUNICATIONS REPORT, DANIELLE FRIZZI-BABB, DEPUTY DIRECTOR

- Ms. Frizz-Babb played a showing the top two (2) winners from the OLC's Home Depot Dream Makeover Promotion.

OFFICE OF SALES MANAGEMENT REPORT, RICHARD PERK, DEPUTY DIRECTOR

- Mr. Perk played a video that was shown at the All-Sales Meeting that was held in Columbus recently, followed by a brief overview of the meeting.

ADJOURNMENT

- Chairman McDonald stated that the next Meeting will be held on September 17, 2018 at 12:00 p.m. Chairman McDonald adjourned the August 20, 2018 Meeting at 12:57 p.m.

Approved:


Dennis Berg, Director


Pat McDonald

Pat McDonald, Chairman