



**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**

**MARCH 19, 2018  
12:00 P.M.**

**Present at the meeting were the following:**

**Members of the Commission:**

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

**Executive Staff of the Commission:**

Dennis Berg, Director  
Greg Bowers, Deputy Director, Finance  
Maureen Hall, Interim Deputy Director, Information Technology  
Danielle Frizz-Babb, Deputy Director, Communications  
Steve Kmiotek, Interim Deputy Director, General Services  
Nicole Kostura, Deputy Director, Government and Community Relations  
Sandy Lesko Sabbath, Deputy Director, Marketing Communications  
Constance Miller, Deputy Director, Operations  
Jennifer Wilson, Deputy Director, Internal Audit  
Traci Konesky, Assistant to the Director

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**Also Present Were:**

Ron Fornaro, Instant Ticket Product Manager  
Marty Morrow, Assistant Sales Director  
Karen Russo, Office of Public Policy  
Michael Sliwinski, Office of Legal Counsel  
Dan Carter, Office of Legal Counsel  
Marie Kilbane Seckers, Office of Communication  
Rebecca McLemore, Office of Communications  
Debbie Pirone, Marcus Thomas  
Sarah Wright, Hart  
Duane Miller, Hooven-Dayton  
John Walker, Scioto Downs  
Greg Kolocin, Hard Rock Rocksino  
Ed Dick, JACK Thistledown  
Tony Frabbiele, Hollywood Gaming, Mahoning Valley  
John Oberle, Penn Gaming  
Eric Sarmiento, Cavitch  
David Schindelheim, Taft

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

- The Ohio Lottery Commission (“OLC”) meeting of March 19, 2018, was called to order at 12:01 p.m. at the Frank J. Lausche Building, Fourth Floor Conference Room by Vice Chairman Sean Whalen, 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, William Morgan, Elizabeth Vaci and Sean Whalen.

**INTRODUCTION OF FIRST TIME ATTENDEES**

- Vice Chairman Whalen recognized David Schindelheim from Taft.

**APPROVAL OF MINUTES OF FEBRUARY 12, 2018**

- Vice Chairman Whalen requested a Motion to approve the February 12, 2018 Minutes. Commissioner Lewis made a Motion that was seconded by Commissioner Vaci. The Motion was affirmatively voted upon by all Commissioners present.

**VICE CHAIRMAN'S COMMENTS**

- Vice Chairman Whalen stated that February's sales were down slightly from last year, and he would like staff to report on that.
- Vice Chairman Whalen stated that he would like staff to present an update on the cashless project.
- Vice Chairman Whalen stated that March is Problem Gambling Awareness Month. Responsible Gambling Committee met prior to last month's Commission Meeting. Vice Chairman Whalen asked Commissioner Lewis to give an update.

**RESPONSIBLE GAMBLING COMMITTEE UPDATE, COMMISSIONER JOHN LEWIS**

- Commissioner Lewis reported that the Problem Gambling Committee met prior to the Commission Meeting held on February 12, 2018. The OLC continues to support Ohio's prevention programs.
- Commissioner Lewis stated that March is Problem Gambling Awareness Month. During March, there will be several prevention pieces running especially during March Madness.

- Commissioner Lewis stated that as he had mentioned last month, Cleveland will be hosting the 2018 National Council on Problem Gambling Conference. There will be approximately 600-700 attendees. The conference will be held July 18, 2018 through July 21, 2018 at the new Downtown Cleveland Hilton Hotel.
- Commissioner Lewis reported that the Problem Gambling Committee is well aware of the possible increase in problem gambling when the OLC becomes more cashless. The OLC's prevention program is calling on individuals to plan before betting. The cashless machines will have a maximum limit of \$100 per day per debit or credit card.
- Commissioner Lewis stated that the OLC is redoing its problem gambling training videos for employees, retailers and VLT employees.
- Vice Chairman Whalen asked if the OLC will have a specific role at the National Problem Gambling Conference. Ms. Russo responded that the OLC will give the opening remarks, and OLC staff will have an active role throughout the entire conference.

**DIRECTOR'S REPORT, DENNIS BERG, DIRECTOR**

- Director Berg reported that February represented the eighth month of fiscal year 2018. Total Sales of \$243.7 million were down \$6.8 million or 2.8% lower compared to last February. The slight decrease in sales for February could be partially attributed to lower jackpots in the Multi-State games, as well as less favorable weather compared to last February.
- Multi-State game sales of \$18.7 million were nearly down \$5.7 million or 23.5% from last February. Sales for the daily draw games such as *Pick 3*, *Pick 4* and *Pick 5* were \$44.6 million down \$1.3 million from last February.

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- Director Berg reported that traditional *Keno* sales of \$33.4 million were \$725,000 or 2.2% higher than last February and broke an all-time monthly sales record for February. The Lucky One sales were \$2.3 million for February.
- VLT sales of \$79.5 million, of which \$26.6 million went to the OLC. On a gross sales basis, this is \$1.1 million more than February last year. Six (6) of the VLT facilities beat last February's sales results. Belterra was down \$2.3 million or 35.5% last year due to facility closures as a result of the Ohio River flooding situation last month.
- Director Berg reported that transfers to the Lottery Profits Education Fund of \$86.2 million was roughly \$609,000 lower than last February's transfer and \$2.5 million under projections.
- Fiscal year-to- date sales stand at \$1.044 billion which is a \$113.7 million increase over last year through the same time period. Gross VLT sales are \$629.0 million, up \$33.7 million or 5.6%. Profit transfers are up \$42.6 million over last year through same time period and \$18.5 million over projections.
- Director Berg reported that *Powerball*® will not be making changes to the game.

**APPROVAL OF FIVE (5) INSTANT GAME RULES IN FINAL FORM**

- Mr. Sliwinski brought before the Commission five (5) Instant Game Rules for approval in Final Form. The Rules are as follows:
  - Rule 3770: 1-9-456, *Fast \$50s* (\$1.00);
  - Rule 3770: 1-9-457, *Blazing Hot Cash* (\$2.00);
  - Rule 3770: 1-9-458, *The Voice* (\$3.00);
  - Rule 3770: 1-9-460, 7 (\$5.00); and

- Rule 3770: 1-9-461, *\$5 Million Payout (\$20.00)*.
- Vice Chairman Whalen then requested a Motion to approve the five (5) Instant Game Rules in Final Form. Commissioner Brady made a Motion that was seconded by Commissioner McAleer. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**APPROVAL OF AMENDMENTS TO ADMINISTRATIVE RULE IN PROPOSED FORM**

- Mr. Sliwinski brought before the Commission Amendments to one (1) Administrative Rule in Proposed Form.
  - Rule 3770:2-3-07, *Video lottery licenses; renewal*.
- Vice Chairman Whalen then requested a Motion to approve Amendments to one (1) Administrative Rule in Proposed Form. Commissioner McAleer made a Motion that was seconded by Commissioner Morgan. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**MANDATORY RULE REVIEW PURSUANT TO CHAPTER 119 IN PROPOSED AND FINAL FORM – NO CHANGE**

- Mr. Sliwinski brought before the Commission three (3) Administrative Rules based on the Mandatory Rule Review Pursuant to Chapter 119, No Change, in Proposed and Final Form.
  - Rule 3770:2-4-03, *Video lottery sales agent employee licenses; application review process*.
  - Rule 3770:2-4-04, *Video lottery sales agent employee licenses; issuance of license*.

- Rule 3770:2-5-08, *Technology providers licenses; renewal.*
- Vice Chairman Whalen then requested a Motion to approve three (3) Administrative Rules based on the Mandatory Rule Review Pursuant to Chapter 119, No Change, in Proposed and Final Form. Commissioner Vaci made a Motion that was seconded by Commissioner Morgan. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**RESOLUTION TO APPROVE TOUCH & WIN EZPLAY® TAP GAME THEME,  
CONSTANCE MILLER, DEPUTY DIRECTOR**

- Ms. Miller 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:
  - *Summer Blast.*
- Vice Chairman Whalen then requested a Motion to approve the Resolution to approve one (1) new Touch & Win EZPLAY® Tap Game Theme. Commissioner Brady made a Motion that was seconded by Commissioner Morgan. 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 fifty-eight (58) new Video Lottery Game Themes. These game themes have been internally reviewed for technical compliance, content and game matrix. The fifty-eight (58) new Game Themes are as follows: thirteen (13) game themes submitted by Aristocrat; one (1) game theme submitted by Bally; eight (8) game themes submitted by Everi; twenty-seven (27) game themes submitted by IGT; three (3) game themes

submitted by ITS; two (2) game themes submitted by Konami; one (1) game theme submitted by Novomatic; and three (3) game themes submitted by WMS.

- Vice Chairman Whalen then requested a Motion to approve the Resolution for fifty-eight (58) new Video Lottery Game Themes. Commissioner Vaci made a Motion that was seconded by Commissioner Morgan. With no further discussion, the Motion was affirmatively voted upon by the Commissioners present.

**OFFICE OF OPERATIONS REPORT, CONSTANCE MILLER, DEPUTY DIRECTOR**

- Ms. Miller distributed to the Commission a document containing the OLC's key strategic initiatives for the current biennium, as well as a power point containing the OLC's accomplishments that was presented at last year's All State Sales Meeting.

Commissioner McAleer left the Meeting at 12:29 p.m.

**OFFICE OF MARKETING COMMUNICATIONS REPORT, SANDY LESKO SABBATH, DEPUTY DIRECTOR**

- Ms. Lesko Sabbath played three (3) television spots and one (1) radio spot for the OLC's new responsible gaming campaign.

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

- Ms. Frizz-Babb played a video featuring Inspired Ohioan Paula Singleton, a hat maker from Fairlawn, Ohio.



**OFFICE OF SALES MANAGEMENT REPORT, RICHARD PERK, DEPUTY  
DIRECTOR**

- Mr. Perk reported that Sales staff have been working with retailers to promote The Lucky One by hosting parties.
- Mr. Perk gave an update on the cashless initiative.
- Mr. Perk stated that Sales staff continue to attend various tradeshows to assist in recruiting new retailers.

**ADJOURNMENT**

- Vice Chairman Whalen stated that the next Meeting will be held on April 16, 2018 at 12:00 p.m. Vice Chairman Whalen adjourned the March 19, 2018 Meeting at 12:47 p.m.

Approved:

  
Dennis Berg, Director

  
Sean Whalen, Vice Chairman