



THE OHIO LOTTERY COMMISSION

MEETING MINUTES

SEPTEMBER 8, 2021

IN PERSON / TELECONFERENCE

Members of the Commission

Matthew Blair, Chairman
James Brady, Vice Chairman
Nita Gupta
Jonathan Hughes
Mark Rickel
Martin Sweeney
Matthew Szollosi

Director and Staff of the Ohio Lottery Commission

Pat McDonald, Executive Director
Sean Webster, Assistant Director, Operations and Administration
Charles LoPresti, Chief Legal Counsel, Office of Legal Counsel
Greg Bowers, Deputy Director, Office of Finance
Terri Jones, Administrative Assistant, Executive Office
Nick Ciofani, Deputy Director, Office of Government & Community Affairs
Karen Russo, Deputy Director, Office of Problem Gambling
Jon Dillinger, Deputy Director, Office of General Services
Rick Perk, Deputy Director, Office of Sales
Michael Gonzalez, Deputy Director, Office of Product Development
Collin Sheehy, Executive Assistant to the Director
Danielle Frizz-Babb, Deputy Director, Office of Communications
Greg Beyer, Deputy Director, Office of Internal Audit
Andrew Rokakis, Electronic Design Specialist
Hurst Talbott, Product Manager
Dana Artim, Infrastructure Specialist, IT
Tom Rakowsky, Telecommunications Coordinator, IT

Additional Attendees via phone

Dan Carter, Legal Counsel
Gary DeWitt, Hollywood Gaming at Dayton Raceway
Ed Dick, JACK Thistledown Racino
Simeonia Mays, Deputy Director, Video Lottery
Jim Nash, Marcus Thomas, LLC
Craig Robinson, Miami Valley Gaming and Racing
Tom Spayd, Senior Video Lottery Regulator
John Walker, Eldorado Scioto Downs
216-389-2338
330-360-8165

CALL TO ORDER

Chairman Blair called the meeting of the Ohio Lottery Commission to order at 12:00 p.m. The meeting was held via teleconferencing and in person by invitation only.

ROLL CALL

The following members of the Commission answered present to Roll Call: Matthew Blair, James Brady, Nita Gupta, Jonathan Hughes, Mark Rickel, Martin Sweeney, and Matthew Szollosi.

APPROVAL OF MINUTES OF AUGUST 11, 2021

Chairman Blair presented to the Commission for approval the minutes from the August 11, 2021 meeting. Commissioner Sweeney made a Motion to Approve the minutes, seconded by Commissioner Gupta. The Motion was affirmatively voted upon by the seven Commissioners present in person.

APPROVAL OF THREE (3) SCRATCH-OFF GAMES IN PROPOSED FORM

Sales Director Richard Perk presented three (3) Scratch-Off Game Themes in Proposed Form.

- ✦ Rule 3770:1-9-692, Winners Galore (\$2.00)
- ✦ Rule 3770:1-9-693, Multiple the Money (\$5.00)
- ✦ Rule 3770:1-9-695, Million Dollar Mega Multiplier (\$10.00)

Commissioner Blair moved to approve the Game Rules as presented in Proposed Form, with Commissioner Rickel offering a second to the Motion. The Motion was affirmatively voted upon by the seven Commissioners present.

APPROVAL OF RECISSION OF TWENTY-NINE (29) SCRATCH-OFF GAME RULES IN PROPOSED AND FINAL FORM- NO LONGER IN USE

Chief Counsel Chuck LoPresti requested approval of recission of Twenty-Nine (29) Scratch-Off Game Rules in Proposed and Final Form.

Commissioner Blair moved to approve the Recission of Scratch Off Games in Proposed and Final Form with Commissioner Szollosi offering a second to the Motion. The Motion was affirmatively voted upon by the seven Commissioners present.

RESOLUTION TO APPROVE VIDEO LOTTERY GAME THEMES

Mr. LoPresti presented a Resolution to approve 30 New Video Lottery Game Themes.

Commissioner Brady moved to approve the Resolution, with Commissioner Hughes offering a second to the Motion. The Motion was affirmatively voted upon by the seven Commissioners present.

FINANCIAL REPORT

Office of Finance Deputy Director Greg Bowers provided to the Commissioners a financial update for the month of August 2021.

- Total sales from Traditional Lottery products equaled \$349.1 million which is 5.5% more than sales in August 2020.
- Gross Revenue for VLT's equaled \$111.9 million. which was \$17.1 million more than last August, or 18.0%, and is the 6th straight month we've exceeded \$100 million in GGR.
- Net revenue to the Lottery after operating expenses are considered was \$36.6 million.
- Total prize expense for the month expressed as a percentage of sales, was nearly 62%, which is a little low compared to normal. Prize expense for our daily #s games (P3, P4) were abnormally low.
- For the month of August, we transferred \$113.5 million to the LPEF, which is \$8.7 million more than last year.

NEW BUSINESS/EXECUTIVE DIRECTOR'S COMMENTS

Director McDonald congratulated the reappointment of Chairman Blair, Commissioner Sweeney and Szollosi.

The Director discussed the sales highlights for the month of August. The sales for the month of August broke the record set in 2020 by nearly \$20 million. Both Keno and scratch-off games outperformed last year but our overall draw-based game category beat the previous sales record that was set four years ago in 2017. The month of August had 10.6 million winners of over \$183 million dollars in prizes. Our Lottery Sales Representatives continue to help retailers prioritize our product as they are out visiting retailers on a regular basis.

The Lottery also had another strong month in VLT revenues. The Lottery collected \$37.5 million from the racinos in August for a year total of \$77.9 million. This is more than \$14 million or 22.5 % ahead of last year's pace. The Lottery transferred \$113.5 million to the Lottery Profits Education Fund, which is roughly \$8.7 million higher than last year.

Director McDonald updated the commission on the Lottery's responsible gambling efforts. The Lottery has joined the American Gaming Association's Responsible Gaming Education Week which takes place from September 19-25th.

Director McDonald had a call with Byon Boothe, CEO for North American subsidiary Intralot, Inc. Mr. Boothe informed him of important debt and capital restructuring transactions that the company recently completed.

The Audit Committee held their first meeting of the fiscal year prior to the meeting today. An update will be provided at the October meeting.

Michael Gonzalez, Deputy Director, Office of Product Innovation presented an overview of the Product Innovation department. Each Commission meeting moving forward a Deputy Director will give an overview of their department.

ADJOURNMENT

With no further business before the Ohio Lottery Commission, Commissioner Blair informed Commissioners that the next meeting will be held on Wednesday, October 13, 2021 at 12:00 p.m. via teleconferencing and in person by invitation.

Respectfully Submitted,



Pat McDonald, Executive Director



Matthew Blair, Commission Chair