



THE OHIO LOTTERY COMMISSION

MEETING MINUTES

AUGUST 12, 2020

VIA TELECONFERENCE

Members of the Commission

Matthew Blair, Chairman  
James Brady  
Nita Gupta  
Jonathan Hughes  
Angela M. Mingo  
Mark Rickel  
Martin Sweeney  
Sean Whalen, Vice Chairman

Director and Staff of the Ohio Lottery Commission

Pat McDonald, Executive Director  
Sean Webster, Assistant Director, Operations and Administration  
Nicole Kostura, Assistant Director, Sales and Marketing  
Nick Stadler, Executive Assistant to the Director  
Terri Jones, Administrative Assistant, Executive Office  
Charles LoPresti, Chief Legal Counsel, Office of Legal Counsel  
Greg Beyer, Deputy Director, Office of Internal Audit  
Ron Fornaro, Instant Ticket Product Manager, Office of Sales  
Jonathan Dillinger, Deputy Director, Office of General Services  
Danielle Frizzi Babb, Deputy Director, Office of Communications  
Connie Miller, Deputy Director, Office of Operations  
Karen Russo, Deputy Director, Office of Responsible Gambling  
Michael Black, Deputy Director, Security  
Greg Bowers, Deputy Director, Finance  
Dan Carter, Deputy Director, Office of Legal Counsel  
Nick Ciofani, Deputy Director, Office of Government & Community Affairs  
Marty Morrow, Deputy Director, Office of Sales  
Rick Perk, Deputy Director, Office of Sales

Holly Coone, Administrative Professional, Office of Information Technology  
Michael Gonzalez, Deputy Director, Office of Product Innovation  
Marie Kilbane Seckers, Public Information Officer, Office of Communications  
Thomas Spayd, VLT Management  
Dee Sommers, Lottery Sales Representative, Region 3  
Stacey Hall, Information Technology

Additional Attendees

Ed Dick, Jack Thistledown  
Colleen Rowan, IGT Government Affairs  
Charles Scannella, Scientific Games  
Carla Kuchta, General Manager Intralot  
John Walker, Eldorado Scioto Downs  
Scott Shaffer, Jack Thistledown  
Sam Porter, Ice Miller, LLC  
Kathleen Lenhardt, Hollywood Mahoning

Caller did not identify his/herself from the following numbers:

216-390-7229  
216-470-6444  
330-338-8935  
513-442-9896  
614-295-4035

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 due to COVID-19 (coronavirus).

ROLL CALL

The following members of the Commission answered present to Roll Call: Matthew Blair, James Brady, Nita Gupta (joined meeting late), Jonathan Hughes, Angela Mingo, Mark Rickel, Martin Sweeney and Sean Whalen.

APPROVAL OF MINUTES OF JULY 8, 2020

Chairman Blair presented to the Commission for approval the minutes from the July 8, 2020 meeting. Chairman Blair made a motion to approve the minutes, seconded by Commissioner Rickel. The Motion was affirmatively voted upon by all Commissioners present.

## APPROVAL OF FIVE (5) SCRATCH OFF GAMES IN FINAL FORM

Dan Carter, Deputy Director, Office of Legal Counsel presented before the Commission Five (5) Scratch Off Game Rules in Final Form.

- ✦ Rule 3770:1-9-613, Festive \$50's (\$1.00)
- ✦ Rule 3770:1-9-614, Winter Doubler (\$2.00)
- ✦ Rule 3770: 1-9-615, Winter Green 7's (\$5.00)
- ✦ Rule 3770: 1-9-616, Winter Wonderland Riches (\$10.00)
- ✦ Rule 3770:1-9-617, Premier Cash (\$20.00)

Commissioner Blair moved to approve the Rules as presented in Final Form, with Commissioner Sweeney offering a second to the Motion. The Motion was affirmatively voted upon by the eight Commissioners present.

## APPROVAL OF ONE (1) EZPLAY® GAME IN PROPOSED AND FINAL FORM

Michael Gonzalez, Deputy Director, Product Innovation, presented a Resolution to approve one Touch & Win EZPLAY® Tap Game Theme, *Lucky Numbers Progressive*.

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

## RESOLUTION TO APPROVE VIDEO LOTTERY GAME THEMES

Dan Carter, Deputy Director, Office of Legal Counsel, presented a Resolution to approve twenty – eight Video Lottery Game Themes.

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

## FINANCIAL REPORT

Greg Bowers, Deputy Director, Finance, provided to the Commissioners a financial update for the months of June and July 2020.

- Traditional Sales for the month of July were \$346.0 million.
- The daily Numbers games (P3, P4, P5) were up against last year by \$18.8 million, or over 35%.
- Games played in social environments such as Keno, Lucky One, and Fast Play games were up by \$11 million or 21%.
- Revenue at the seven racinos fared well during the month. GGR was up by \$3.2 million or 3% over last July. Net revenue for the Lottery was \$31.8 million. This is a little more than \$1.0 million compared to last year.

- Profit from traditional lottery games for the month of June were \$95.6 million, \$1.0 million more than our commitment, and \$5.7 million more than last year. The total profit commitment for this fiscal year is \$1.177 billion. That is about \$50 million, or 4.4 % more than what we transferred last fiscal year.

## NEW BUSINESS/EXECUTIVE DIRECTOR'S COMMENTS

Executive Director McDonald informed the Commissioners of the following:

The Lottery Commission is off to a good start for Fiscal Year 2021. Our July transfer is a little over 1% ahead of our forecast and 6% more than last July's transfer. Our total commitment for this fiscal year is \$1.177 billion. That's about \$50 million, or 4.4 % more than what the lottery transferred last fiscal year.

Our seven racino facilities across the state continue to operate and serve our players on a daily basis, in accordance with the Responsible Restart Guidelines. Executive Director McDonald participated in a call with the General Managers from each racino. This call was an opportunity to reiterate the importance of abiding by the protocols laid out in the Responsible Restart Guidelines.

Executive Director McDonald asked Assistant Deputy Director Sean Webster to give a recap of the call with the General Managers from each racino. Mr. Webster reported that the General Managers are happy with the way things are going at the property level. There has been no line or capacity issues since the opening. Social distancing and mask wearing are in place. VLT revenue is up over 3% thru July compared to last fiscal year, so revenue is strong. There has been heavier foot traffic on weekdays compared to before Covid-19. The General Managers noted that they are not running promotions and events on the weekends, so that may be a contributor to the higher numbers during the week. Additionally, many guests play during the week when the racinos are less busy. The national coin shortage has affected the racino properties. Many of the properties have programed their kiosks to generate receipts for the change. Then the player can redeem their receipt at the cage. One of the properties even allows their customers to donate their change to local charities.

Executive Director McDonald informed the Commissioners that the Governor has implemented regulations that have either cancelled, or vastly changed how fairs across the state have operated this summer. The Ohio Lottery will still be able to make its presence known by participating as a sponsor for the "Ohio Fair, Anywhere", which served as a virtual alternative to the Ohio State Fair this year. The Lottery provided a virtual interactive "bingo card", which gave participants the opportunity to win lottery prize packages for completing. The first week of this promotion generated more than 50,000 Facebook interactions in addition to 10,600 Instagram impressions and 6,500 Twitter interactions.

Executive Director McDonald asked Deputy Director of Finance Greg Bowers to provide an overview of the Lottery's annual entry conference for the FY20 Finance Audit. Mr. Bowers reported that on July 30, 2020 we held the formal pre-engagement meeting, which is basically a "kick-off" to the audit, to inform us about the audit scope and their approach, and what to expect during this upcoming audit period. The Auditor of State typically reviews timeframes, audit team members and anything new they may be looking at including GASB changes. They also discussed the various levels on how they report or communicate

their findings. The engagement letter, which outlines the responsibilities of the Lottery and the AOS as they relate to the audit was also discussed. The IT auditors also discussed the general scope of the IT audit. At the conclusion of the audit there will be an exit conference to discuss the results of the audit and any accompanying findings, if any.

Executive Director McDonald announced that Ohio for Responsible Gambling recently received three awards from the National Council on Problem Gambling. The Ohio for Responsible Gambling is comprised of the Ohio Lottery Commission, Ohio Casino Control Commission, Department of Mental Health, and the Ohio State Racing Commission. This is an outstanding accomplishment that demonstrates the effectiveness of our collaborative Problem Gambling efforts with multiple peer agencies throughout the state. Executive Director McDonald congratulated Deputy Director for Responsible Gambling, Karen Russo, for her tireless efforts in contributing to these accomplishments. Addressing and raising awareness for problem gambling has always been, and will continue to be, a top priority for the Ohio Lottery.

Executive Director McDonald asked Deputy Director Karen Russo to give a recap of the awards. Ms. Russo reported that the National Council on Problem Gambling hosted a digital symposium on July 20, 2020. At the symposium were 350 participants, with 38 presenters from 7 countries and a dozen different time zones. A virtual awards ceremony was held on the last day of the conference. The Ohio Lottery, along with our Ohio Responsible Gambling (ORG) partners, won the National Council on Problem Gambling Corporate Awareness Award and the Corporate Website Award for our 2019 Change the Game Ohio Campaign. The campaign is a youth gambling prevention campaign that provides information and tools for parents, educators and youth. The OLC contributes problem gambling funding for creative and public awareness for this campaign. The campaign video can be found at [www.ChangethegameOhio.org](http://www.ChangethegameOhio.org). In addition, Ohio's NBC4 (WCMH-TV) Columbus won the National Media Award for the story, "Veterans and Gambling Addiction". ORG partners work with the reporters to generate awareness around the growing at-risk populations within Ohio, to help the public recognize the warning signs of someone who may be at-risk, including veterans, and to offer resources on how to access help.

Commissioner Hughes congratulated Ms. Russo on the award and the great job she is doing. Commissioner Hughes spoke how important the addition program is to him personally and he will do whatever he can to help the program. Chairman Blair and Commission Mingo also congratulated Ms. Russo and the team on their efforts.

## ADJOURNMENT

With no further business before the Ohio Lottery Commission, Chairman Blair complimented the Lottery staff on doing an incredible job. Commissioner Blair informed Commissioners that the next meeting will be held on Wednesday, September 9, 2020 at 12:00 p.m. via teleconferencing.

Respectfully Submitted,



Pat McDonald, Executive Director



Matthew Blair, Commission Chair