

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING, JUNE 20, 2013

Chairman Ragazzo called the Commission meeting into session at 10:00 AM in the Lottery Office located at One Lawrence Park Complex, Lawrenceville, New Jersey.

COMMISSION MEMBERS PRESENT

Frank Ragazzo, Chairman
Thomas Tucci, Vice Chairman
Robert D'Anton, Commissioner
Munr Kazmir, Commissioner (by phone)
Robert Slater, Commissioner
Roger Cohen, Treasurer Designee

John Custodio, Deputy Executive Director
Kellie Pushko, Deputy Attorney General
Peter Simon, Gov's Auth. Unit (by phone)

STAFF

Regina Arcuri
Lou Cleary
Denise Coleman
Duane Daniels
Michael DeCheser
Judy Drucker
Janice Eckstein
Robert Kersey
Foster Krupa
Jean Lin
Dolores Matos
Steve Palmieri
Margaret Square

VISITORS

Joan Mueller, Brushfire

After the Pledge of Allegiance, Chairman Ragazzo announced that the Lottery was in compliance with the provisions of the Open Public Meetings Act, and that adequate notice of the meeting had been provided in the manner prescribed by law.

Chairman Ragazzo requested a motion to approve the minutes of the May 16, 2013 Commission Meeting. Commissioner Kazmir made the motion, which was seconded by Commissioner Slater. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

DIRECTOR'S REPORT

Deputy Executive Director Custodio stated that the sales for May totaled \$289.20 million. He stated that a comparison to last year's total monthly sales revealed an increase of 23.4%.

Deputy Executive Director Custodio reported that we are slightly under budget but Powerball currently has a high jackpot.

Deputy Executive Director Custodio stated that the receipts and deposits for the month of May were \$339.5 million.

Deputy Executive Director Custodio stated that the balances in the unclaimed prize reserve accounts are \$26.4 million.

Deputy Executive Director Custodio stated that Brushfire won Tully awards for outstanding advertising for two of the Lottery television commercials.

Deputy Executive Director Custodio stated that the non-core instant game sales during May were over \$11 million and the core instant game sales totaled over \$73 million.

Deputy Executive Director Custodio stated that Lottery Facebook continues to be one of the most popular Facebook pages in all the State Lotteries with over 82,000 likes at the end of May.

Deputy Executive Director Custodio stated that there was a lot of press coverage during the month of May. He stated that there were eight Powerball million dollar winners along with three million dollar Spectacular winners which made it a total of 11 millionaires for the month of May.

Deputy Executive Director Custodio noted that Mary Ann Rivell is doing a great job with the Speaker Bureau Events which there were four events during the month of May.

Deputy Executive Director Custodio reported that there were 161 security investigations and 120 random field inspections during the month of May.

Deputy Executive Director Custodio stated that there are 6,638 licenses issued as of May 31, 2013.

Deputy Executive Director Custodio noted that the VIP Club increased its membership with 2,372 new registrations during the month of May and now has an enrollment of 254,402 active members.

Deputy Executive Director Custodio reported that the Validation Staff received over 4,000 claim forms during the month of May and there were 33 social security matches between our files and various agencies for arrearages.

Deputy Executive Director Custodio noted that all drawing and pool closings were held in accordance to established procedures with no abnormalities.

Deputy Executive Director Custodio stated that this concludes the Director's Report.

Chairman Ragazzo requested a motion to approve the Director's Report. Commissioner Slater made the motion which was seconded by Commissioner Kazmir. Chairman Ragazzo asked if there were any comments.

Vice Chairman Tucci commented that every fiscal year when the budget number is given to Lottery, he is amazed that we will ever be able to achieve it. He stated that at the end of every fiscal year he sees that we have almost reached it. He stated that these things do not happen by accident and stated that it is the leadership of the Executive Director, along with the Deputy Director, Marketing Manager and all of the Lottery staff that these numbers are met because everyone puts a lot of hard work and effort into it. He stated that everyone should be congratulated.

Deputy Executive Director Custodio stated that if not for the Hurricane Sandy damage, we clearly would have exceeded the budget.

Commissioner D'Anton asked what the loss was.

Finance Director Palmieri reported that it was about \$10 million in profit.

Chairman Ragazzo asked if there were any other comments on the Director's Report and there being none the motion carried.

NEW BUSINESS

Deputy Executive Director Custodio certified that consideration for each game included, but was not limited to, intended target market, product family, seasonal factors, launch plans, overall market strategy, sales goals, prior experience, current market trends and market place demands.

Chairman Ragazzo requested a motion to approve the instant ticket game rules for "Hold"Em Poker." Commissioner Kazmir made the motion which was seconded by Vice Chairman Tucci. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

Chairman Ragazzo requested a motion to approve the instant ticket game rules for "\$500,000 Lucky Streak." Commissioner Slater made the motion which was seconded by Commissioner Kazmir. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

Chairman Ragazzo requested a motion to approve the instant ticket game rules for "\$50,000 Lucky Streak." Commissioner Kazmir made the motion which was seconded by Commissioner D'Anton. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

Chairman Ragazzo requested a motion to approve the instant ticket game rules for "20X Cash." Commissioner Kazmir made the motion which was seconded by Commissioner Slater. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

Deputy Attorney General Pushko stated that the election of officers will take place and requested a roll call:

Frank Ragazzo	Present
Munr Kazmir	Present
Robert D'Anton	Present
Robert Slater	Present
Thomas Tucci	Present
Treasurer Designee Cohen	Present

Deputy Attorney General Pushko asked for a nomination for Chairman of the Lottery Commission. Commissioner D'Anton nominated Thomas Tucci, which was seconded by Commissioner Kazmir. Deputy Attorney General Pushko asked if there were any comments and there being none asked for a roll call vote.

Frank Ragazzo	Yes
Munr Kazmir	Yes
Robert D'Anton	Yes
Robert Slater	Yes
Thomas Tucci	Abstained
Treasurer Designee Cohen	Yes

Deputy Attorney General Pushko stated that the motion carried and stated that Thomas Tucci has been elected Chairman of the New Jersey Lottery Commission.

Deputy Attorney General Pushko asked for a nomination for Vice Chairman of the Lottery Commission. Commissioner D'Anton nominated Frank Ragazzo, which was seconded by Commissioner Kazmir. Deputy Attorney General Pushko asked if there were any comments and there being none asked for a roll call vote.

Frank Ragazzo	Abstained
Munr Kazmir	Yes
Robert D'Anton	Yes
Robert Slater	Yes
Thomas Tucci	Yes
Treasurer Designee Cohen	Yes

Deputy Attorney General Pushko stated that the motion carried and Frank Ragazzo has been elected Vice Chairman of the New Jersey Lottery Commission.

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

There was no Executive Session.

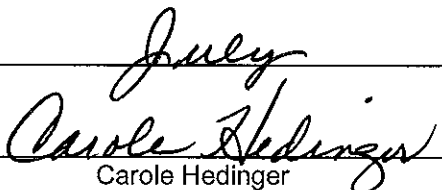
ADJOURNMENT

Chairman Ragazzo asked for a motion to adjourn the meeting. Commissioner Kazmir made the motion which was seconded by Vice Chairman Tucci. The motion carried.

I HEREBY CERTIFY that the foregoing is a true and correct copy of the minutes of the New Jersey Lottery Commission meeting held on June 20, 2013.

IN WITNESS WHEREOF, I hereby set my hand on

the 18th day of July, 2013.



Carole Hedinger
Executive Director