

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING, JANUARY 24, 2017

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
Robert D'Anton, Commissioner (by phone)
Albert Alvarez, Commissioner (by phone)
Matt Spadaccini, Treasurer Designee (by phone)

Carole Hedinger, Executive Director
John Custodio, Deputy Executive Director
Christin Deacon, DAG
Labinot BerlaJolli, Gov. Auth. Unit

VISITORS

Foster Krupa, Northstar
Lou Cleary, Northstar
Sam Fromkin, Northstar
Jon Renner, Brushfire, Inc.
Karen Kokoll

STAFF

Denise Coleman
Duane Daniels
Michael Decheser
Judy Drucker
Frances Edwards
Janetta Foy
Claudio Graziano
Kalliopi Kostis
Megan Mazzoni
Charlene Mello
Richard Pagnani
Debbie Raub
Mary Ann Rivell
Margaret Square
John White
Melissa Williams

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 December 20, 2016 Commission Meeting. Commissioner Alvarez 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.

DIRECTOR'S REPORT

Executive Director Hedinger stated that December sales were very healthy considering that the year before we had a giant Powerball jackpot rolling.

Executive Director Hedinger reported that all of our departments operated without any problems.

Executive Director Hedinger noted that there were no issues with our building, with facilities, with collections or with the balances in our annuity account.

Executive Director Hedinger reported that the S & P rating for Ohio National Life was lowered from AA- to A+ since last month.

Executive Director Hedinger stated that sales were healthy in every other category.

Executive Director Hedinger noted that there were a great number of Promotional Events held in December due to the holiday season.

Executive Director Hedinger reported that this concludes the Director's Report.

Chairman Ragazzo asked if there were any questions or comments.

Chairman Ragazzo stated that the most important thing Executive Director Hedinger said was that the average Powerball jackpot was up to \$191 million last year and it was \$72 million this year. So considering that, it was a pretty good December.

Chairman Ragazzo requested a motion to approve the Director's Report. Commissioner Alvarez made the motion which was seconded by Commissioner D'Anton.

NEW BUSINESS

Executive Director Hedinger 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. Additionally, as part of our overall responsible gaming initiatives, these games have been reviewed to identify any problematic elements that could present a risk to vulnerable problem gamblers.

Chairman Ragazzo requested a motion to approve the instant ticket game rules for "Spring \$50's," "Black and Gold" and "Hot Spot Bingo." Commissioner D'Anton made the motion which was seconded by Commissioner Alvarez. Chairman Ragazzo asked if there were any comments and there being none the motion carried.

Chairman Ragazzo requested a motion to approve the amended instant ticket game rules for "\$500 Money Madness." Commissioner Alvarez 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 on-line game rules for "FAST PLAY." The game for approval is "Lucky 7's." Commissioner Alvarez 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.

PUBLIC COMMENT

Executive Director Hedinger stated she wanted to talk about something that is very hard for her to talk about. Her Executive Assistant, who was her assistant since she came to the Lottery, retired in December. Now she has to work without Karen Kokoll. She stated she never had to do that. Karen has always been there to watch whatever she does, to watch her back, to keep her informed, to make sure she knows where she is supposed to be at any given time, handle any emergencies that come up and to overall handle all the duties that an Executive Assistant has to do. And do it in a magnificent way. So, now she is retired, so her friend and her assistant won't be there to watch her back anymore but she has a new able assistant. She can't take her place but will try to fill her shoes. Karen came to us in 1994 with the previous Director. She worked for that Director, then worked for her and she worked for other Directors in between. And finally has gotten to a point of well-earned retirement. Hopefully she is going to enjoy life, travel around a bit and have time to do all things you put off when you are working. Like fight traffic and those kinds of things that we did today. She could say a lot more about Karen, working with her all these years, but pretty soon the two of them will be crying, so she didn't want to do that. Executive Director Hedinger wanted to put that into the record.

Chairman Ragazzo congratulated Karen Kokoll on behalf of himself and the Commissioners. He noted that she didn't look that upset. He stated that Executive Director Hedinger looks much more upset than Karen does. He said congratulations and he hopes that she does whatever she thinks she wants to do. He stated that Executive Director Hedinger's assistants come and go, but she's still here.

Executive Director Hedinger apologized for the rushed meeting due to the phone issues.

EXECUTIVE SESSION

There was no Executive Session.

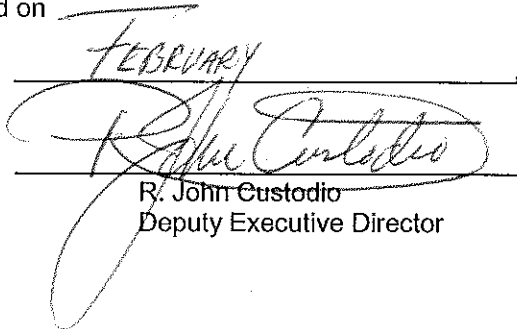
ADJOURNMENT

Chairman Ragazzo adjourned the meeting.

I HEREBY CERTIFY that the foregoing is a true and correct copy of the minutes of the New Jersey Lottery Commission meeting held on January 24, 2017.

IN WITNESS WHEREOF, I hereby set my hand on

the 21ST day of FEBRUARY, 2017.



R. John Custodio
Deputy Executive Director