

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING JUNE 20, 2024

Deputy Executive Director Marseglia called the Commission meeting into session at 10:00 a.m.

COMMISSION MEMBERS

Robert D'Anton, Chairman (by phone)
Munr Kazmir, Commissioner
Michael Kanef, Treasurer's Designee
Gary Terwilliger, Division of Investment Designee

VISITORS

Joe Cavallo, Northstar (by phone)
Kristen Connelly, Northstar
Sam Fromkin, Northstar
Erica Helms, Northstar (by phone)
John Hodor, Northstar (by phone)
Erin Leon, Northstar (by phone)
Adam Perlow, Northstar (by phone)
Adrienne Haas, PureRed

STAFF

James A. Carey, Jr., Executive Director (by phone)
Marc J. Marseglia, Deputy Executive Director
Ryan Schaffer, Deputy Director
John White, Deputy Director
Nikki Apeadu (by phone)
Pat Coppel (by phone)
Scott Davis (by phone)
Missy Gillespie
Jerry Guarino (by phone)
Ashleigh Jones
Robert E. Kelly
Robert Kersey (by phone)
Kelly Laird
Jason Lee (by phone)
Jack Leo
Charlene Mello
Ellen O'Malley
Joe Oleszkiewicz (by phone)
Rick Pagnani
Debbie Raub
Samuel Kovach-Orr (by phone)
Esther Werstler

Chairman D'Anton requested that Deputy Executive Director Marseglia administer the meeting agenda because the Chairman was participating by telephone.

Deputy Executive Director Marseglia took roll call.

After the Pledge of Allegiance, Deputy Executive Director Marseglia 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.

The first item on the agenda was approval of the minutes of the May 23, 2024 Commission meeting. Deputy Executive Director Marseglia asked if there are any questions or comments. Hearing no questions, Deputy Executive Director Marseglia requested a motion to approve the minutes of the May 23, 2024 Commission meeting. Commissioner Kazmir made the motion to approve the minutes of the May 23, 2024 Commission meeting. Treasurer's Designee Kanef seconded the motion. Deputy Executive Director Marseglia called for a vote and all the Commissioners voted yes. The motion carried.

DIRECTOR'S REPORT

The Deputy Executive Director discussed the Lottery's financial performance during the month of May. The Deputy Executive Director reviewed the Lottery's revenue report for the month, which is set forth below:

REPORT OF THE EXECUTIVE DIRECTOR (UNAUDITED)
JUNE 20, 2024 (MAY RESULTS)

(\$ in Millions)

MONTHLY NET SALES RESULTS							
	Actual May-24	Actual May-23	\$ Chg	% Chg	FY 24 Budget May-24	% Over Under	
Pick-6 Double Play	\$ 4.81	\$ 6.67	\$ (1.86)	-27.9%	\$ 5.88	-18.2%	
CASH4LIFE	5.27	5.22	0.05	1.0%	5.32	-0.9%	
Mega Millions	17.81	10.83	6.98	64.5%	18.14	-1.8%	
Powerball	13.38	14.74	(1.36)	-9.2%	20.24	-33.9%	
Lotto Games Total	\$ 41.27	\$ 37.46	\$ 3.81	10.2%	\$ 49.58	-16.8%	
Pick-3 FIREBALL	\$ 34.06	\$ 34.47	\$ (0.41)	-1.2%	\$ 35.02	-2.7%	
Pick-4 FIREBALL	19.87	21.28	(1.41)	-6.6%	21.90	-9.3%	
Jersey Cash 5 XTRA	13.86	14.07	(0.21)	-1.5%	13.66	1.5%	
Cash Pop	5.00	5.30	(0.30)	-5.7%	5.72	-12.6%	
Quick Draw Progressive	8.32	8.78	(0.46)	-5.2%	8.54	-2.6%	
Fast Play Progressive	5.17	4.05	1.12	27.7%	4.71	9.8%	
Daily Mach. Games Total	\$ 86.28	\$ 87.95	\$ (1.67)	-1.9%	\$ 89.55	-3.7%	
Scratch Off Tickets	\$ 161.99	\$ 170.09	\$ (8.10)	-4.8%	\$ 178.07	-9.0%	
Daily Games Total	\$ 248.27	\$ 258.04	\$ (9.77)	-3.8%	\$ 267.62	-7.2%	
NJ Only Games	\$ 253.08	\$ 264.71	\$ (11.63)	-4.4%	\$ 273.50	-7.5%	
All Games Total	\$ 289.54	\$ 295.51	\$ (5.97)	-2.0%	\$ 317.19	-8.7%	
FISCAL YEAR TO DATE NET SALES RESULTS							
	Actual FY 2024	Actual FY 2023	\$ Chg	% Chg	Budget FY 2024	% Over Under	
Pick-6 Double Play	\$ 76.09	\$ 57.35	\$ 18.74	32.7%	\$ 62.75	21.3%	
CASH4LIFE	58.08	57.42	0.66	1.1%	59.16	-1.8%	
Mega Millions	247.98	279.20	(31.22)	-11.2%	193.46	28.2%	
Powerball	355.22	290.36	64.86	22.3%	224.24	58.4%	
Lotto Games Total	\$ 737.37	\$ 684.33	\$ 53.04	7.8%	\$ 539.61	36.6%	
Pick-3 FIREBALL	\$ 356.58	\$ 365.30	\$ (8.72)	-2.4%	\$ 363.87	-2.0%	
Pick-4 FIREBALL	216.70	230.65	(13.95)	-6.0%	232.73	-6.9%	
Jersey Cash 5 XTRA	129.09	124.70	4.39	3.5%	144.40	-10.6%	
Cash Pop	56.38	53.37	3.01	5.6%	53.04	6.3%	
Quick Draw Progressive	88.42	93.08	(4.66)	-5.0%	91.85	-3.7%	
Fast Play Progressive	53.61	43.97	9.64	21.9%	47.76	12.2%	
Daily Mach. Games Total	\$ 900.78	\$ 911.07	\$ (10.29)	-1.1%	\$ 933.65	-3.5%	
Scratch Off Tickets	\$ 1,730.34	\$ 1,839.73	\$ (109.39)	-5.9%	\$ 1,878.88	-7.9%	
Daily Games Total	\$ 2,631.12	\$ 2,750.80	\$ (119.68)	-4.4%	\$ 2,812.53	-6.5%	
NJ Only Games	\$ 2,707.21	\$ 2,808.16	\$ (100.94)	-3.6%	\$ 2,875.28	-5.8%	
All Games Total	\$ 3,368.50	\$ 3,435.12	\$ (66.62)	-1.9%	\$ 3,352.14	0.5%	
MONTHLY PENSION FUND L CONTRIBUTION							
	Actual May-24	Actual May-23	\$ Chg	% Chg	Budget May-24	% Over Under	
Monthly Contribution	\$ 87.65	\$ 88.69	\$ (0.94)	-1.1%	\$ 94.00	-6.8%	
% of Sales	30.27%	29.98%			29.64%		
FISCAL YEAR TO DATE CONTRIBUTION							
	Actual FY 2024	Actual FY 2023	\$ Chg	% Chg	Budget FY 2024	% Over Under	
Total Contribution	\$ 1,038.32	\$ 1,041.05	\$ (2.73)	-0.3%	\$ 993.41	4.5%	
% of Sales	30.82%	30.31%			29.64%		
Avg. Jackpots							
	May-24	May-23			FY 2024	FY 2023	
Jersey Cash 5 (k)	\$478.8	\$448.7			\$348.7	\$315.1	
Pick 6 (m)	\$3.1	\$8.6			\$11.3	\$4.4	
Mega Millions (m)	\$395.8	\$117.0			\$345.3	\$275.7	
Powerball (m)	\$109.5	\$146.9			\$391.1	\$232.3	

Deputy Executive Director Marseglia stated that on June 12, the New Jersey Lottery sold the \$221 million Powerball ticket. The ticket was purchased with the cash option, which was over \$104 million. It was sold at Preet Food Mart in Lindenwold. A press conference was held the following day and received very good coverage, especially from the Philadelphia market. A few days later, the Lottery had a \$3 million Pick-6 winner in Mount Laurel. That was the second time in a month that Pick-6 was won. Those low jackpots from the repeat hits are reflected in the sales.

Net Proceeds for the Fiscal Year to date exceed \$1 billion or 30.8% of sales. Deputy Executive Director Marseglia stated that fiscal year profits from lotto games were \$306.1 million or 41.5% of sales. Fiscal year profits from daily games were \$341.3 million or 37.8% of sales. Fiscal year profits from Scratch-Off games were \$381.1 million or 22% of sales.

Deputy Executive Director Marseglia stated that the top three selling non-core games for May were "\$50,000,000 Explosion," which generated \$9.3 million in sales, "\$1,000,000 Platinum Payout," which generated \$8.1 million in sales and "\$50,000 Loaded," which generated \$7.5 million in sales.

Deputy Executive Director Marseglia stated that "\$50,000,000 Explosion" launched in March. All prizes are either \$100, \$200, \$300 or \$500, which means all prizes can be redeemed at the retailer. This game allows our players to be able play the game, win some prizes and play a little more.

Deputy Executive Director Marseglia stated that on May 6 the Lottery released the \$10 TEAM USA Fast Play Progressive game. On May 31, a TEAM USA ticket won \$280,078, which was 100% of the Progressive Jackpot. The Fast Play jackpot is currently up to \$48,000.

Deputy Executive Director Marseglia stated that there were a few other high tier winners throughout the state in May. On May 11, Jersey Cash 5 had one \$900,420 winner in Essex County. On May 15, Jersey Cash 5 had one \$1,000,000 winner in Monmouth County. On May 23, Jersey Cash 5 had two \$339,725 winners both in Monmouth County. On May 30, Jersey Cash 5 had one \$625,210 winner in Hudson County.

Deputy Executive Director Marseglia stated that all drawings for the month of May were completed with no abnormalities.

Deputy Executive Director Marseglia stated that all on-line game pools were closed according to procedures with no abnormalities. All Powerball and Mega Millions Drawings were verified and processed with no abnormalities. The Internal Control System (ICS) was processed for each drawing without any imbalances. All appropriate winning number information was broadcast correctly to all media contacts. All in-house staff received appropriate information via email.

Deputy Executive Director Marseglia stated that the Validations staff received and sorted 3,998 mailed claim forms during the month. The number of claims received in the drop box was 310. There were 276 claims hand delivered. Staff entered 5,187 claims into the claims payment system and edited 5,007 claims. During the month of May there were 6,015 claims paid totaling \$25.2 million in winnings were paid.

Deputy Executive Director Marseglia invited Adam Perlow, Vice President and Chief Operating Officer of Northstar, to provide an update on Northstar activities. Mr. Perlow stated that the \$10 TEAM USA Fast Play ticket is performing 24% above the other \$10 games that launched this year. He also discussed the "It's a Jersey Thing" ticket and upcoming Public Promotional events.

Deputy Executive Director Marseglia concluded the Director's report.

Deputy Executive Director Marseglia asked if there are any questions or comments regarding the Director's report. Hearing no additional questions, Deputy Executive Director Marseglia requested a motion to approve the Director's report. Treasurer's Designee Kanef made the motion to approve the Director's report. Commissioner Kazmir seconded the motion and all the Commissioners voted yes. The motion carried.

PUBLIC COMMENT ON AGENDA ITEMS

There was no public comment on agenda items.

ANNUITY PRESENTATION

Deputy Executive Director Marseglia stated that we had on the agenda an annuity presentation, with Vice Chairman Leonard not in attendance and Chairman D'Anton calling in, we thought we would save that for a future Commission meeting. It could be as early as next month.

NEW BUSINESS

Deputy Executive Director Marseglia 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.

The first item of new business was game rules for five Scratch-Off games.

SCRATCH-OFF GAMES SUMMARY

Instant Game	Price Point	Ticket Quantity	Top Prize	Prize Payout	On-Sale Date
HOLIDAY CA\$H	\$1	7.2 million	\$500	60.01%	4-Nov-24
IT'S GOLD OUTSIDE	\$2	7.2 million	\$10,000	63.06%	4-Nov-24
CANDY CANE CASH	\$5	3.96 million	\$100,000	64.04%	4-Nov-24
WINTER GREEN	\$10	3.6 million	\$500,000	66.52%	4-Nov-24
CLASSIC BINGO	\$2	4.8 million	\$10,000	62.99%	2-Dec-24

Deputy Executive Director Marseglia asked if there are any questions regarding the approval of the Scratch-Off ticket game rules for "Holiday Ca\$h," "It's Gold Outside," "Candy Cane Cash," "Winter Green" and "Classic Bingo." Hearing no questions, Deputy Executive Director Marseglia requested a motion to approve the Scratch-Off ticket game rules for "Holiday Ca\$h," "It's Gold Outside," "Candy Cane Cash," "Winter Green" and "Classic Bingo." Commissioner Kazmir made the motion to approve the Scratch-Off ticket game rules. Treasurer's Designee Kanef seconded the motion and all of the Commissioners voted yes. The motion carried.

The second item of new business was game rules for one Fast Play game.

FAST PLAY PROGRESSIVE GAMES SUMMARY

Fast Play	Price Point	Top Prize	Prize Payout	On-Sale Date
DIAMOND SPECTACULAR 10X	\$10	\$1,000	65.48%	3-Sep-24

Deputy Executive Director Marseglia asked if there are any questions regarding the approval of the Fast Play ticket game rules for "Diamond Spectacular 10X." Hearing no questions, Deputy Executive Director Marseglia requested a motion to approve the Fast Play ticket game rules for "Diamond Spectacular 10X." Commissioner Kazmir made the motion to approve the Fast Play ticket game rules. Investments Designee Terwilliger seconded the motion and all of the Commissioners voted yes. The motion carried.

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

Deputy Executive Director Marseglia asked for a motion to adjourn the Public meeting. Commissioner Kazmir made the motion to adjourn. Investments Designee Terwilliger seconded the motion and all the Commissioners voted yes. 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, 2024.

IN WITNESS WHEREOF, I hereby set my hand on

the _____ 8th _____ day of _____ July _____, 2024.



Marc J. Marseglia
Deputy Executive Director