



Idaho Lottery Commission Meeting Minutes

Date, Time, and Place

The 250th meeting of the Idaho Lottery Commission took place on Thursday, May 19, 2022, at the Hampton Inn, Pocatello, Idaho 83201 and via Teleconference.

Attendees:

Commissioners Present:

Chairman, Craig Corbett
Commissioner, Sue Kerrick
Commissioner, Peter J. Smith, IV
Commissioner, Charles A. 'Skip' Smyser
Commissioner, Joni Stright

Lottery Staff Present:

Director, Jeff Anderson
Chief Operating Officer, Becky Schroeder
Deputy Director of Sales, Larry Polowski
Deputy Director of Marketing, Sherie Moody-St. Clair
Director of Lottery Security, Tony Pittz
Chief Financial Officer, Jay Prickett
Management Assistant, Gaby Perez

Others Present:

Ryan Belveal, Diamond Game
Steve Poole, Intralot
Steve Beck, Intralot
Brad Surkamer, CLM - via Teleconference
Krista Stepa-Ammeter, Pollard Banknote - via Teleconference

1. Meeting Called to Order

Chairman Corbett called the meeting to order at 10:03 AM

2. Approval of the Minutes*

Commissioner Smith moved to approve the minutes from the March 17, 2022 meeting. Commissioner Kerrick seconded the motion. The vote was unanimous for approval.

Commissioner Kerrick moved to approve the minutes from the April 21, 2022 meeting. Commissioner Smyser seconded the motion. The vote was unanimous for approval.

3. Director Update

Proposed Legislative Idea, Charitable Gaming

Director Anderson is considering proposing a modification to the Charitable Game Statute. The statute was reorganized and submitted for change, but did not make it out of Committee in 2019. We have had trouble getting a quorum together of six members from different regions. There is regulatory oversight to Charitable Gaming by our Commissioners, as the members of the advisory board make suggestions but have no authority. Director Anderson has spoken to the Governor's office regarding reducing or removing the advisory board. Director of Lottery Security, Pittz supports the proposal. He states in the 90's the board was necessary as Bingo had just begun and it was necessary to have that knowledge base. Today, there is knowledge, laws and statute that state which rules and regulations are needed. We have a Charitable Games Coordinator, Tina Miller, who is putting together a packet that will include more information. Director Anderson states that nothing needs to be done at this time, however it will be brought up in the next meeting. The deadline for submitting these Legislative Ideas is June 24, 2022.

Primary Election Results

Director Anderson states that his update concerning the Primary Election results is not needed as there has already been discussion on this topic over the past 24 hours among the group.

NASPL/WLA

Director Anderson announces that the NASPL/WLA Conference will be held in British Columbia on October 15-20, 2022. He states everyone is invited. Proof of Covid Vaccination to the Canadian Government is needed as of now. We will provide information to the Commission as it becomes available.

Jackpocket

Director Anderson spoke about Jackpocket, which is a somewhat new Lottery sales offering. This company and their application was introduced 7-8 years ago offering a service of purchasing Powerball and Mega Millions via phone or app. An order of lottery tickets can be placed via phone to Jackpocket. Jackpocket is currently operating in Arkansas, New York, Colorado, Oregon, Minnesota, New Jersey, Ohio, Texas, New Hampshire, and Washington DC. This proposal has been run through the Attorney General's office who has stated it is within our authority to approve this. Deputy Director of Sales, Larry Polowski, stated he has done research and he found that orders are

placed via mobile app and there are few to no complaints about this service. He states there is a feature that has the winnings go to the winning person's personal bank account however, high tier winners must send their tickets via certified mail or bring them to the Lottery office to cash. Jackpocket stores earn commission from sales and bonuses for selling winning tickets, just as other retailers earn commissions and bonuses.

Extended Strategy/Creative Contract with CLM*

Commissioner Smith moved to approve the extended contract with CLM for both Strategy and Creative. Commissioner Kerrick seconded the motion. The vote was unanimous for approval.

4. Administration Update

Request Approval to Order/Purchase Fleet Vehicles*

Chief Operating Officer, Becky Schroeder, requested approval to order/purchase four Ford Escape fleet vehicles to replace nearly all Kia Souls in our LSR fleet. There are only five Kia's left. The pricing is very good through the State of Idaho's negotiated contract. The order is placed and then it takes three to four months to receive the vehicles. We are hopeful we won't experience supply chain issues. Once they are received, they are wrapped with Lottery logos. The Kia Souls will be retired and sent to auction. Right now auction selling prices is generally quite a bit above value, as used cars are hard to find.

Commissioner Smith moved to approve the purchase of the vehicles, with Commissioner Stright seconding the motion. This was unanimously approved by the Commission.

5. Current Sales Report

Jay Prickett, Chief Financial Officer reviewed the current sales report, and that sales report is entered into the minutes as an attachment.

6. Marketing Division Update

Classroom Wishlist

Deputy Director of Marketing, Sherie Moody-St. Clair, added the current month's Classroom Wishlist to the Commission packet. She stated that once funded the Wishlists will be delivered within the next week or two. Commissioners would like this Wishlist emailed to them every month. Moody-St. Clair stated that the budget was increased for this program from \$2,000 to \$10,000. It was decided that instead of adding more "Do Good" programs, the budget for the Classroom Wishlist amounts would be increased.

Scratch Tickets

Moody-St. Clair presented a new set of Scratch tickets known as a family of games, where multiple price points follow the same theme and design. This particular family is

printed by Pollard Banknote. The launch of our first \$50 ticket happened last week, this ticket's top prize is \$1,000,000, the highest prize for a scratch ticket, ever in Lottery's history.

Big Spin

Moody-St. Clair stated that next month the Big Spin, which is a new Scratch game, that includes a secondary draw for certain winners and a "reveal" of winners on displays in the retail locations will launch in June. The large, oversized wheel will be located at the Boise Towne Square Mall in Boise. The Big Spin offers large, public events for finalist winners to have a chance to win up to \$100,000.

Moody-St. Clair also stated that she is finalizing the Marketing Plan for FY 2023

7. Sales Division Update

Deputy Director of Sales, Larry Polowski reported that scratch ticket sales are down however, the good news is we are increasing our player base. He also stated that our newest LSR is up and running the Southeast Boise, Mountain Home and Grandview route. Polowski reminds the Commission that the annual Sales Conference for Lottery Sales Representatives will be held on June 6, 2022, for 3 days with all the LSRs joining us in Boise. At this conference the LSRs will be reviewing policies and presentations from the other departments.

8. Security Division Update

Director of Lottery Security, Tony Pittz, announced that our Charitable Gaming Coordinator position is now filled by Tina Miller. He stated that he will be hiring a new detective around July 1, 2022, and indicated that we are busy enough to have a second sworn detective. Law does not require that the detective be sworn, but we prefer it. Depending upon the available applicant pool, there are also great candidates that are not sworn officers. The Idaho Lottery has law enforcement for many reasons, one is to help catch other theft as well as other crimes. When someone steals Lottery, they are typically stealing other things, stolen Lottery is also helping catch stolen credit cards. He is currently in the process of consolidating our retailer application. He is hoping for a simplified online application to be able to pre-fill some information.

9. Set Future Commission Meeting Date

The Commission discussed that the next meeting will be a Teleconference in order to set the Dividend on June 30, 2022 at 10:00 AM. The next regularly scheduled meeting will be July 19, 2022, with time and location to be determined. The July meeting will include our Dividend Presentation. Commissioner Smyser moved to approve the dates and Commissioner Smith seconded the motion. The vote was unanimous for approval.

10. Adjournment

Commissioner Kerrick moved to adjourn, seconded by Commissioner Stright and the meeting was adjourned.

Certification:

I hereby certify that the foregoing minutes are a true and correct record of the actions and decisions made by the Lottery Commission.

Jeffrey R. Anderson, Executive Director
Lottery Commission Secretary

Date