



Idaho Lottery Commission Meeting Minutes

Date, Time and Place

The 238th meeting of the Idaho Lottery Commission took place on Thursday, January 21, 2021, at 10:00 AM, Idaho Lottery Headquarters, Boise, Idaho and via Zoom web conference.

Attendees:

Commissioners Present Via Teleconference:

Craig Corbett, Chairman
Susan Kerrick, Commissioner
Grant Brackebusch, Commissioner
Gary Michael, Commissioner
Peter Smith, Invited Potential Commissioner

Lottery Staff Present:

Jeff Anderson, Director
Becky Schroeder, Chief Operating Officer
Jennifer Quinno-Miller, Human Resources & Admin. Officer
Larry Polowski, Deputy Director of Sales
Sherie Moody-St. Clair, Deputy Director of Marketing
Jay Prickett, Chief Financial Officer
Tony Pittz, Director of Lottery Security
David Workman, Public Information Specialist

Others Present:

Pat Sullivan, Sullivan Reberger

Others Present Via Teleconference:

Ryan Belveal, International Gamco/Diamond Game
Billy Mitchell, Mitchell Palmer
Tom Donahoe, Mitchell Palmer
Brad Surkamer, CLM
Krista Stepa-Ammeter, Pollard Banknote
Steve Poole, Intralot
Robert Anderst, Risch Pisca

1. Meeting Called to Order

Chairman Corbett called the meeting to order at 10:00 AM

2. Approval of the Minutes

Commissioner Brackebusch moved to approve the minutes from the November 19, 2020 Commission Meeting. The motion was seconded by Commissioner Kerrick. The vote was unanimous for approval.

3. Director Update

Commission Member Update

Director Anderson reported that the appointments secretary in the Governor's Office is working on the reappointment of Commissioner Brackebusch as well as working on the appointment of Peter Smith to the Commission. Commissioner Michael has expressed interest in leaving the Commission before his term is up and several suggestions have been made to Governor's Office for his replacement.

Powerball Update

There are serious concerns about Powerball moving into the international marketplace, and although there is no formal agreement, at this time, sales could commence in Australia for Powerball on August 23, 2021. If this happens and if our law does not change, Idaho will have to cease selling the game. We are working to get proposed legislation moved through the House State Affairs Committee first. Big jackpots over the last couple of months in Powerball and Mega Millions have created enormous interest in the game and has increased sales and the resulting large contributions to our Dividend. They create a lot of excitement among our players and bring large benefit to our retailer partners. We are hopeful we will be able to get RS28103 printed and approved by the legislature.

Legislative Update

We presented our Administrative Rules in Senate State Affairs which were approved by the Committee. The RS28103 is our legislation we are trying to get a sponsor and we hope that the House State Affairs Committee considers it first.

Pat Sullivan, with Sullivan Reberger provided a legislative update to the Commission.

Pick 4

Our new Pick 4 game has launched as a new daily game. We have another daily game coming soon called 2x2. When that game comes on and our other games move to daily, we will have five daily games for players to play. Evidence shows when

current twice-per-week games move to daily draws people become more interested in them because you can win every day instead of having to wait a few days for results. This is in alignment with our strategy to enhance and improve our non-big jackpot games. We feel like we can control these games better than Powerball and Mega Millions.

4. Current Sales Report

The current sales report is entered into the minutes as an attachment.

5. Marketing Division Update

Deputy Director of Marketing, Sherie Moody-St. Clair provided an overview of the Marketing Department. She highlighted out Do Good programs and the new publication highlighting all the Do Good projects. Our new social media person is also working on some initiatives to highlight these important projects along with highlighting our Dividend.

Raffle did amazing this year and was the fastest selling Raffle ever since the very first year. Holiday Scratch sales were also great this year, ahead of last year, and we have had record numbers of new members sign up for our VIP Club. Our new game Pick 4 has launched and we are working on a new Draw Game strategy where we are focusing on our in-State Draw Games.

Lottery Love, the Valentine campaign this year, is in full effect and doing well. Up next is Frogger along with another new Scratch game.

Annual Reports have been printed and distributed and available on the website.

David Workman reported on the success of the Scratch for Schools program this year.

6. Sales Division Update

Deputy Director of Sales, Larry Polowski, provided an overview of the Sales Division. The Sales Division has done a tremendous job keeping up with all of the sales as they continue to increase. Keeping tickets in stock has been a challenge but we are managing to keep up. We have a bunch of new locations coming into the state which we are trying to keep up with. The new machines put into the Walmart stores are doing well and we are seeing incremental sales in that area. Our first week of sales in Pick 4 have been completed and so far we are not seeing a cannibalization of Pick 3, which we were concerned about.

7. Security Division Update

Tony Pittz, Director of Lottery Security, reported that Security has also been very busy. We are averaging 7-8 applications per month of locations that are applying to sell Lottery. We are also averaging 6-10 criminal cases per month keeping our Detective busy. We are processing about 2800 tickets per month coming in through the mail, processing 25 Second Chance draws per month and seeing about 300,000 entries for those drawings, which, clearly, players are loving.

We recently updated our Retailer Contract and sent it out to every current Retailer. We have received all of them all back and all Retailers are now under the new contract.

8. Set Future Commission Meeting

Commissioner Kerrick moved to set the next meeting for March 18, 2021. Commissioner Brackebusch seconded the motion. The vote was unanimous for approval.

9. Adjournment

Commissioner Kerrick moved to adjourn, seconded by Commissioner Michael 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