

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING, APRIL 17, 2008

Acting Chairman McGuire called the Commission meeting into session at 11:00 AM in the Lottery Office located at One Lawrence Park Complex, Lawrenceville, New Jersey.

COMMISSION MEMBERS PRESENT

James McGuire, Acting Chairman
Robert Slater, Vice Chairman (by phone)
Trina L. Glass, Commissioner
Munr Kazmir, Commissioner
Robert Smartt, Treasurer Designee

William Jourdain, Acting Executive Director
Marc Krefetz, Dep. Attorney General
Joe Neal, Governor's Authorities Unit

VISITORS

Kathy Steepy, Office of Management & Budget

STAFF

Regina Arcuri
Marilyn Blazovsky
Lou Cleary
Nancy Coccia
Denise Coleman
Dominick DeMarco
Yoke DiGiorgio
Robert Kersey
Karen Kokoll
Foster Krupa
Dolores Matos
Steve Palmieri
Mary Ann Rivell
Ray Ryan
Margaret Square

After the Pledge of Allegiance, Acting Acting Chairman McGuire 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.

Acting Acting Chairman McGuire requested a moment of silence for Debbie Conti, a New Jersey Lottery employee who passed away on April 10, 2008.

Acting Acting Chairman McGuire requested a motion to approve the minutes of the March 20, 2008 Commission Meeting. Commissioner Kazmir made the motion, which was seconded by Treasurer Designee Smartt. Acting Chairman McGuire asked if there were any comments and there being none the motion carried.

DIRECTOR'S REPORT

Acting Executive Director Jourdain stated that the sales for the month of March totaled \$218.6 million, which is a decrease of 8% over last year but he stated that last fiscal year in March we were setting a record Mega Million jackpot.

Acting Executive Director Jourdain stated that the Instant ticket sales are running 5.1% ahead of last year and that the Jersey Cash 5 sales had an increase of 2.8% ahead of last year.

Acting Executive Director Jourdain stated that we are 3.5% ahead of our budget target for the month of March.

Acting Executive Director Jourdain stated that the State contribution for FY 2008 is \$649.79 million, which is 6% ahead of the budget target for FY'08.

Acting Executive Director Jourdain stated that the receipts and deposits that the Finance Unit received for the month of March totaled \$197.7 million.

Acting Executive Director Jourdain stated that the balance in the unclaimed prize reserve account is \$15.67 million. He stated that the Pick 3 has a funding deficit due to the funding of the "Green Ball Double Draw" promotion and we expect that deficit to be down to 0 by the end of the fiscal year.

Acting Executive Director Jourdain stated that the balance in the annuity investment accounts totaled \$659 million as of the end of March.

Acting Executive Director Jourdain stated that the "Green Ball Double Draw" promotion took place through the month of March and plans have been finalized for the Jersey Cash 5 coupon "Buy 2 Get 1 Free" and a \$13 Instant Match promotion which will be available during the month of April.

Acting Executive Director Jourdain stated that statewide advertising campaign ran throughout March for the Green Ball Double Draw which included TV and radio commercials as well as advertising in various at home media.

Acting Executive Director Jourdain stated that the 200 new ITVM machines have been installed at retailer locations all over the state. He stated that the instant ticket sales have increased about 20%.

Acting Executive Director Jourdain stated that the "Green Ball Double Draw" promotion did very well and all the sale representatives and the retailers are looking forward to the April promotions of the Instant Match and the Jersey Cash 5 coupon. He stated that many in-store promotions are being planned around the coupon handouts.

Acting Executive Director Jourdain stated that the Retailer Customer Call Center handled 1,380 incoming calls during the month of March.

Acting Executive Director Jourdain stated that there were 117 security investigations conducted by the Security Unit.

Acting Executive Director Jourdain stated that there are 6,186 retailer licenses issued as of March 31, 2008.

Acting Executive Director Jourdain stated that the Public Information Office continues to support operations in the design and creation of various New Jersey Lottery publications. He stated that we are finalizing our fiscal '07 annual report which is ready for distribution. He stated that the hiring of a graphic artist has allowed us to produce a great amount of quality work in-house and there has been a substantial cost savings to the State because previously many of those products had to be sub-contracted out to professional firms.

Acting Executive Director Jourdain stated that the Public Information Office continues to work with IMS to establish new and enhanced existing pages on the website. He stated that they are planning to introduce a Commissioners Page on the website starting out with basic information and possibly providing small bios on the Commissioners so that the public can be more familiar with the Lottery Commission.

Acting Executive Director Jourdain stated that all drawings were held in accordance to established procedures. He stated that with the Pick 3 Double Draw there were a total of six selections of the green ball during the month of March.

Acting Executive Director Jourdain stated that there was a power outage on March 8 which also delayed the drawing of the mid-day drawing. He stated that there were some issues which we have since addressed. He stated that we lost approximately 2 1/2 hours of operation resulting in the delay of the mid-day drawing. He stated that we met with the vendors involved and have been assured that these issues would not reoccur.

Acting Executive Director Jourdain stated that the final three events with the Nets were held March 12, 26 and April 1.

Acting Executive Director Jourdain stated that during the month of March the Lottery VIP club increased its membership by 1610 new registrants bringing the total enrollment of over 135,000 active members.

Acting Executive Director Jourdain stated that the Validation staff received and sorted 3,216 claim forms during the month of March.

Acting Executive Director Jourdain stated that the power outage on March 8 also affected Lottery headquarters but that operations continued without interruption.

Acting Executive Director Jourdain stated that this concludes the Director's Report.

Acting Chairman McGuire asked if there were any other comments on the Director's Report and there being none asked for a motion to approve the Director's Report. The motion was made by Commissioner Kazmir and seconded by Treasurer Designee Smartt. The motion carried.

NEW BUSINESS

Acting Chairman McGuire asked for a motion to approve the instant ticket game rules for "Sunny Money," "Let It Roll," "Super Cashout" and "Beat the Heat." Commissioner Kazmir made the motion, which was seconded by Treasurer Designee Smartt. Acting Chairman McGuire asked if there were any comments and there being none the motion was carried.

A preview of the Jersey Cash 5 TV and radio commercial was shown to the Commissioners.

Acting Executive Director Jourdain stated that on the New Jersey Lottery website they are going to have pictures of the Commissioners and, with the Commissioners approval, possibly have a small bio on each Commissioner.

Acting Executive Director Jourdain stated that he will send Commissioner Slater pictures of the website through the mail.

Vice Chairman Slater suggested that they should make it clear on the website that the role of the Commissioners is an oversight, advising and consent capacity as compared to an executive capacity.

The Commissioners stated that they are in favor of the website including the bios of the board.

EXCECUTIVE SESSION

Acting Executive Director Jourdain stated that there is no need for an Executive Session at this time.

ADJOURNMENT

Acting Chairman McGuire asked if there was any other business to be discussed in the open public meeting and there being none, asked for a motion to adjourn. Commissioner Kazmir made the motion, which was seconded by Treasurer Designee Smartt. 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 April 17, 2008.

IN WITNESS WHEREOF, I hereby set my hand on

the _____ day of _____, 2008.

William T. Jourdain
Acting Executive Director