

**NEW JERSEY STATE LOTTERY COMMISSION**

**PUBLIC MEETING, AUGUST 21, 2008**

Acting Chairman Slater 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**

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

William Jourdain, Acting Executive Director  
Richard Evert, Dep. Attorney General  
Joseph Neal, Governor's Auth. Unit

**VISITORS**

**STAFF**

Regina Arcuri  
Marilyn Blazovsky  
Lou Cleary  
Nancy Coccia  
Denise Coleman  
Robert Kersey  
Karen Kokoll  
Foster Krupa  
Dolores Matos  
Steve Palmieri  
Mary Ann Rivell  
Ray Ryan  
Nick Wiener

After the Pledge of Allegiance, Acting Chairman Slater 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 Executive Director Jourdain asked for a moment of silence in remembrance of Ed Tan a former Lottery Deputy Attorney General who passed away last month.

Acting Chairman Slater requested a motion to approve the minutes of the July 17, 2008 Commission Meeting. Treasurer Designee Smartt made the motion, which was seconded by Commissioner Kazmir. Acting Chairman Slater 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 July totaled \$204.18 million, which is a slight decrease of 0.4 % compared to last year's total monthly sales.

Acting Executive Director Jourdain stated that we are up 3.9% with our budgeted sales target.

Acting Executive Director Jourdain stated that the Instant ticket sales have exceeded budget by 7.5%.

Acting Executive Director Jourdain stated that we are right on target for the budgeted State contribution for FY'09.

Acting Executive Director Jourdain stated that the receipts and deposits that the Finance Unit received for the month of July totaled \$247 million.

Acting Executive Director Jourdain stated that the balance in the unclaimed prize reserve account is \$25.5 million.

Acting Executive Director Jourdain stated that the balance in the annuity investment accounts totaled \$628 million as of the end of July. He stated that we just received an updated report from the Division of Investments on the three annuity firms that are rated below AA and received a good report that actually two of the companies have been upgraded to A and A+ respectively.

Acting Executive Director Jourdain stated that during the month of July, a VIP Club membership drive took place resulting in the addition of 3,090 new members.

Acting Executive Director Jourdain stated that the Sales staff reports that additional instant ticket dispensers were ordered during the month of July. He stated that more than 60% of our retailer network uses these instant ticket dispensers.

Acting Executive Director Jourdain stated that Faber International has contacted the Lottery about becoming a lottery retailer in the Princeton Junction and Metro Park train stations.

Acting Executive Director Jourdain stated that the Retailer Customer Call Center handled over 2,258 incoming calls during the month of July.

Acting Executive Director Jourdain stated that there were 122 security investigations conducted by the Security Unit.

Acting Executive Director Jourdain stated that there are 6,158 retailer licenses issued as of July 31, 2008.

Acting Executive Director Jourdain stated that the Public Information Office responded to press and public inquiries and most notably was the instant ticket top tier inquires about our procedures on the instant ticket process.

Acting Executive Director Jourdain stated that the preliminary design work has been started for the FY 2008 annual report.

Acting Executive Director Jourdain stated that the Graphic Artist created a light box poster for display at the Newark Liberty Airport and after it is displayed, a photograph will be taken for the Commissioners to view.

Acting Executive Director Jourdain stated that all drawings were held in accordance to established procedures. He stated that we conducted nine (9) Opt-In drawings for the month of July.

Acting Executive Director Jourdain stated that we had various special events during the month of July. He stated at the Quick Chek Festival of Ballooning which was held July 25, 26 & 27, the Lottery retail trailer sold a top tier winning Jersey Cash 5 ticket which is worth a few hundred thousand dollars.

Acting Executive Director Jourdain stated that the IMS staff is continuing the conversion of the internal control systems, which is the balancing system that we use to verify our drawing data coming from the vendor system.

Acting Executive Director Jourdain stated that IMS has implemented permanent procedures to transfer instant winning ticket data from the gaming system through Lottery to the OIT web server. He stated that this will allow OIT to perform daily instant ticket prize data updates on the Lottery website for our players.

Acting Executive Director Jourdain stated that there is a correction to the report on Section D, Lottery VIP Club, the membership total should be 3,090 and the VIP Club now has an enrollment of 140,416 active members.

Acting Executive Director Jourdain stated that the Lottery Website continues to be one of the most popular of all the NJ State websites with an average of 65,039 visitors per day.

Acting Executive Director Jourdain stated that the Operations Unit had 15 social security number matches between the files from the Departments of Human Services and Community Affairs and the Higher Education Student Assistance Authority and Lottery winners.

Acting Executive Director Jourdain stated that the Validation staff received and sorted over 3,414 claims during the month of July.

Acting Executive Director Jourdain stated that all on-line game pools were closed according to procedures with no abnormalities.

Acting Executive Director Jourdain stated that on July 30, State Treasurer Rousseau, Associate State Treasurer Chianese and the Treasury Ethics Officer Smartt visited the Lottery to honor retirees and service award recipients. He stated that Treasurer Rousseau presented him with his award and thanked the staff for setting it up.

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

Acting Chairman Slater commended the staff who worked on the Special Events which highlighted the campaign of "Where the Money Goes" at the Lottery Booths.

Acting Chairman Slater 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 Treasurer Designee Smartt and seconded by Commissioner Glass. The motion carried.

### **NEW BUSINESS**

Acting Chairman Slater asked for a motion to approve the instant ticket game rules for "Lucky Gift," "It's a Wonderful Life...for Life!" "Candy Cane Crossword," "Jingle Bell Bingo" and "I ♥ Dogs/I ♥ Cats." Commissioner McGuire made the motion, which was seconded by Treasurer Designee Smartt. Acting Chairman Slater asked if there were any comments and there being none the motion carried.

### **MISCELLEANOUS**

The revised commercial of "Where the Money Goes" was presented to the Commissioners.

Acting Chairman Slater requested that all the Commissioners should receive a copy of this commercial.

### **EXCECUTIVE SESSION**

Deputy Attorney General Evert proposed that it be resolved that pursuant to New Jersey Statute 10:4-13 the Lottery Commission enter into Executive Session during which the public shall be excluded to get legal advice regarding items of procedure and contract. He stated that the subject and nature of this discussion will be timely made known to the public if and when the need for confidentiality ends. Commissioner McGuire made the motion to go into Executive Session which was seconded by Treasurer Designee Smartt.

### **ADJOURNMENT**

Acting Chairman Slater 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 McGuire 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 August 21, 2008.

IN WITNESS WHEREOF, I hereby set my hand on

the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

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William T. Jourdain  
Acting Executive Director