

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING, JANUARY 22, 2008

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

William Jourdain, Acting Executive Director
Marc Krefetz, Deputy Attorney General
Sharon Price Cates, Gov. Auth. Unit (by phone)

VISITORS

STAFF

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

After the Pledge of Allegiance, Chairman D'Anton 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.

Chairman D'Anton requested a motion to approve the minutes of the December 20, 2007 Commission Meeting. Commissioner Kazmir made the motion, which was seconded by Chairman D'Anton. Chairman D'Anton asked if there were any comments and there being none the motion carried.

DIRECTOR'S REPORT

Acting Executive Director Jourdain welcomed new Commissioner Trina Glass.

Acting Executive Director Jourdain stated that the sales for the month of December totaled \$229.86 million, which is an increase of 15% over last year. He stated that this was led by a 24% increase in our Instant tickets and both Pick 6 and Mega Millions had an increase of 45.9% compared to last year.

Acting Executive Director Jourdain stated that we are 7.3% ahead of our budget target for FY'08.

Acting Executive Director Jourdain stated that the State contribution for the month of December was \$77 million, which is 1.7% over the budget target.

Acting Executive Director Jourdain stated that the receipts and deposits that the Finance Unit received for the month of December totaled \$202 million.

Acting Executive Director Jourdain stated that the balance in the annuity investment accounts totaled \$685 million as of December.

Acting Executive Director Jourdain stated that Marketing continued to support the Million Dollar New Year Raffle, which concluded on December 31 with 87% of the tickets sold.

Acting Executive Director Jourdain stated that the Marketing Unit finalized plans for the \$7 Instant Match Promotion.

Acting Executive Director Jourdain stated that the \$5 Holiday Gift Pack ran through December, making it the top selling non-core game for the month of December with \$8.9 million in sales. He stated that Holiday advertising contributed to a new one-week sales record of \$30.9 million for Instant games for the week ending December 26th.

Acting Executive Director Jourdain stated that the sales unit continues to finalize the Quick Chek test and there will be a summary next month for the Commissioners.

Acting Executive Director Jourdain stated that the Retailer Customer Call Center handled 1,733 incoming calls during the month of December.

Acting Executive Director Jourdain stated that there were 95 security investigations conducted by the Security Unit.

Acting Executive Director Jourdain stated that there are 6,219 retailer licenses issued as of December 31, 2007.

Acting Executive Director Jourdain stated that the Public Information Office continues to support the marketing and advertising initiatives. He stated that our in-house graphic artist resized the "Million Dollar New Year Raffle" ad for the Meadowlands.

Acting Executive Director Jourdain stated that the Public Information Office coordinated the Speaker's Bureau schedule for the first quarter of 2008.

Acting Executive Director Jourdain stated that Public Information Office continues to monitor the Legislative Calendar and Digest for related lottery legislative activity. He stated that the Treasury Legislative unit provides us with weekly reports on all legislation of importance or of impact to the New Jersey Lottery.

Acting Executive Director Jourdain stated that the Public Information Office began coordinating with the Council on Compulsive Gambling staff for a March 2008 media event in conjunction with the "National Problem Gambling Awareness Week."

Acting Executive Director Jourdain stated that there were a couple of retailer events during the month of December.

Acting Executive Director Jourdain stated that the IMS staff has been busy converting some of the new equipment for staff.

Acting Executive Director Jourdain stated that the Operations Unit reports that there were 20 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, which totaled \$19,949.00 in arrears.

Acting Executive Director Jourdain stated that the Validation staff received and sorted 2,873 claim forms during the month of December. He stated that for the year, the Validation staff received and processed 40,579 claims and prize payouts of over \$135 million.

Acting Executive Director Jourdain stated that Tom Weber of our Security Unit has taken over the responsibility of the Facilities Manager and will be assisted by Jack Kaminski of our warehouse staff.

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

Chairman D'Anton asked if there were any 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 McGuire and seconded by Commissioner Kazmir. The motion carried.

NEW BUSINESS

Chairman D'Anton asked for a motion to approve the instant ticket game rules for "Mother's Day," "Lucky Match," "Cash Garden Tripler," "Great Golden 8's," "Wheel of Fortune," "Flamingo Bingo Doubler" and "Raise the Stakes." Commissioner Kazmir made the motion, which was seconded by Commissioner McGuire. Chairman D'Anton asked if there were any comments and there being none the motion was carried.

Acting Executive Director Jourdain gave a recap of the "Million Dollar New Year Raffle" game. He stated that he would forward this information to Commissioner Slater so that he could review it at a later time when he returns to New Jersey.

Marketing Manager Foster Krupa gave a presentation on the New Jersey Lottery's revised website.

Commissioner Slater asked if the study was conducted about using a credit card to purchase Lottery tickets.

Acting Executive Director Jourdain stated that he has that information and it would be discussed at next month's meeting.

Vice Chairman Slater asked about players purchasing a lottery ticket using their bank account and printing out the ticket from their computer the same way you print out a ticket for a ball game or show which would have a bar code. He stated that it would enable people to purchase tickets at home.

Acting Executive Director Jourdain stated that we could look into this and see what kind of initiatives it would require us to go through. He stated that he is deferring this to the Attorney General's Office to see whether it is a viable alternative as well as discussing it with the Treasurer's Office.

MISCELLANEOUS

Acting Executive Director Jourdain distributed a couple of press releases that were issued by the Governor's Office nominating a new State Treasurer, Dave Rousseau who replaces former Acting State Treasurer Michellene Davis who has now been appointed Special Senior Counsel to the Governor which became effective last week.

Vice Chairman Slater wanted to remind everyone that we should be getting the report on the status of the insurance companies that are listed with the credit rating below AA.

Acting Executive Director Jourdain stated that he would put a call into the Director's Office at the Division of Investments.

EXCECUTIVE SESSION

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

ADJOURNMENT

Chairman D'Anton 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 Commissioner Kazmir. 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 January 22, 2008.

IN WITNESS WHEREOF, I hereby set my hand on

the _____ day of _____, 2008.

William T. Jourdain
Acting Executive Director