

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING, JULY 17, 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
James McGuire, Commissioner
Robert Smartt, Treasurer Designee

William Jourdain, Acting Executive Director
Marc Krefetz, Dep. Attorney General

VISITORS

Mary Caffrey, Robbinsville
Dave Fried, Robbinsville
Kathy Steepy, OMB

STAFF

Marilyn Blazovsky
Lou Cleary
Nancy Coccia
Denise Coleman
Dominick DeMarco
Yoke DiGiorgio
Robert Kersey
Karen Kokoll
Foster Krupa
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 June 19, 2008 Commission Meeting. Vice Chairman Slater made the motion, which was seconded by Treasurer Designee Smartt. Chairman D'Anton 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 June totaled \$193.75 million, which is an increase of 0.3% over last year.

Acting Executive Director Jourdain stated that the Lottery set a new record of \$2.5 billion for FY 2008.

Acting Executive Director Jourdain stated that the State contribution for FY'08 is a record of \$882 million which is a 4.5% increase over the original budgeted target of \$845 million.

Acting Executive Director Jourdain stated that the receipts and deposits that the Finance Unit received for the month of June totaled \$166 million.

Acting Executive Director Jourdain stated that the balance in the unclaimed prize reserve account is \$20.5 million.

Acting Executive Director Jourdain stated that the balance in the annuity investment accounts totaled \$646 million. He stated that we will be reaching out to the Department of Investments for an updated assessment on our insurance companies.

Acting Executive Director Jourdain stated that plans have been finalized for a VIP Club membership drive to be held during the month of July. He stated that there also were several opt-in drawings scheduled and conducted for the Spring/Summer season.

Acting Executive Director Jourdain stated that there has been an increase in the change of ownerships and terminations which is reflective of the slow down in the economy. He stated that the sales staff is working hard to maintain the 6000 plus retailer base.

Acting Executive Director Jourdain stated that Saker ShopRite recently added seven new lottery locations to be included in their 28 store chain.

Acting Executive Director Jourdain stated that the Retailer Customer Call Center handled 1,791 incoming calls during the month of June.

Acting Executive Director Jourdain stated that there were 127 security investigations conducted by the Security Unit.

Acting Executive Director Jourdain stated that there are 6,157 retailer licenses issued as of June 30, 2008.

Acting Executive Director Jourdain stated that during the month of June there was a total of \$48,610.14 collected through the efforts of the New Jersey Lottery and the Division of Taxation joint investigation project. He stated that the total collected for FY'08 was \$210,356.65.

Acting Executive Director Jourdain stated that the Public Information Office has completed the design and creation of the new bet slip holder featuring "Where the Money Goes" message and it has been sent to print.

Acting Executive Director Jourdain stated that the Public Information Office conducted several Speakers' Bureau events during the month of June.

Acting Executive Director Jourdain stated that the Lottery Promotion Unit has scheduled many promotional events throughout the State during the late summer and early fall.

Acting Executive Director Jourdain stated that all the drawings were held in accordance to established procedures. He stated that there were seven opt-in drawings for the month of June.

Acting Executive Director Jourdain stated that the IMS staff continues to support the VIP Club initiative by sending out several emails announcing new, upcoming opt-in drawings.

Acting Executive Director Jourdain stated that the Operations Unit had 17 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 3,571 claims during the month of June.

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 the Facilities Unit continues the daily management of the building and State vehicle fleet. He stated that the testing of the fire suppression system has been concluded with successful results.

Acting Executive Director Jourdain stated that since our system outage back in March the gaming system vendor and the communication vendor have successfully completed two network fail over tests over the past three to four months.

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 Vice Chairman Slater. The motion carried.

NEW BUSINESS

Chairman D'Anton asked for a motion to approve the instant ticket game rules for "Three Stooges," "Ford Escape Hybrid," "Emerald 7s," "Lucky Lines," "Deal or No Deal" and "\$1,000,000 Extravaganza." Vice Chairman Slater 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.

Deputy Attorney General Krefetz stated that the election of officers will take place and requested a roll call:

Robert D'Anton	Present
Robert Slater	Present
James McGuire	Present
Robert Smartt	Present

Deputy Attorney General Krefetz asked for a nomination for Chairman of the Lottery Commission. Commissioner Slater nominated Robert D'Anton, which was seconded by Commissioner McGuire. Deputy Attorney General Krefetz asked if there were any comments and there being none asked for a vote which was unanimous. The motion carried.

Deputy Attorney General Krefetz asked for a nomination for Vice Chairman of the Lottery Commission. Chairman D'Anton nominated Robert Slater, which was seconded by Commissioner McGuire. Deputy Attorney General Krefetz asked if there were any comments and there being none asked for a vote which was unanimous. The motion carried.

Deputy Attorney General Krefetz stated that Robert D'Anton has been elected Chairman and Robert Slater has been elected Vice Chairman.

MISCELLANEOUS

Acting Executive Director Jourdain distributed a draft copy of the press release that is scheduled to go out to the public after the Commission meeting which touches on the record breaking activity the Lottery had this year.

The Commissioners complimented the staff on the outstanding work they have done this past year.

EXCECUTIVE SESSION

Deputy Attorney General Krefetz stated that be it resolved that pursuant to New Jersey Statute 10:4-13 the Lottery Commission will enter into Executive Session during which the public shall be excluded to discuss tactics and techniques utilized in protecting the safety and property of the public, investigations and violations of the law and matters falling into the attorney/client privilege to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer. He stated that any matter discussed in Executive Session, the subject in nature of the discussion will be timely made known to the public if and when the need for confidentiality ends.

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. Vice Chairman Slater made the motion, which was seconded by Commissioner McGuire. 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 July 17, 2008.

IN WITNESS WHEREOF, I hereby set my hand on

the _____ day of _____, 2008.

William T. Jourdain
Acting Executive Director