

NEW JERSEY STATE LOTTERY COMMISSION

PUBLIC MEETING OCTOBER 17, 2024

Chairman D'Anton called the Commission meeting into session at 10:00 a.m.

COMMISSION MEMBERS

Robert D'Anton, Chairman
Ian Leonard, Vice Chairman
Munr Kazmir, Commissioner (by phone)
Michael Kanef, Treasurer's Designee
Gary Terwilliger, Division of Investment Designee (by phone)

VISITORS

Joe Cavallo, Northstar (by phone)
Sam Fromkin, Northstar
Erica Helms, Northstar (by phone)
Foster Krupa, Northstar
Erin Leon, Northstar
Adam Perlow, Northstar

STAFF

James A. Carey, Jr., Executive Director
Marc J. Marseglia, Deputy Executive Director
Ryan Schaffer, Deputy Director
John White, Deputy Director
Nikki Apeadu (by phone)
Michael Boone
Pat Coppel (by phone)
Scott Davis
Missy Gillespie
Jerry Guarino (by phone)
Christina Haltmeier
Ashleigh Jones
Robert Kersey (by phone)
Jason Lee (by phone)
Jack Leo
Charlene Mello
Vladimir Palma
Ellen O'Malley
Joseph Oleszkiewicz (by phone)
Rick Pagnani (by phone)
Debbie Raub
Samuel Kovach-Orr (by phone)
Esther Werstler

Executive Director Carey took roll call.

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.

The first item on the agenda was approval of the minutes of the September 19, 2024 Commission meeting. Chairman D'Anton asked if there are any questions or comments. Hearing no questions, Chairman D'Anton requested a motion to approve the minutes of the September 19, 2024 Commission meeting. Treasurer's Designee Kanef made the motion to approve the minutes of the September 19, 2024 Commission meeting. Vice Chairman Leonard seconded the motion. Chairman D'Anton called for a vote and all the Commissioners voted yes. The motion carried.

DIRECTOR'S REPORT

The Executive Director discussed the Lottery's financial performance during the month of September. The Executive Director reviewed the Lottery's revenue report for the month, which is set forth below:

**REPORT OF THE EXECUTIVE DIRECTOR (UNAUDITED)
OCTOBER 17, 2024 (SEPTEMBER RESULTS)**

(\$ in Millions)

MONTHLY NET SALES RESULTS							
	Actual September-24	Actual September-23	\$ Chg	% Chg	FY 25 Budget September-24	% Over -Under	
Pick-6 Double Play	\$ 6.53	\$ 4.14	\$ 2.39	57.7%	\$ 6.74	-3.1%	
CASH4LIFE	4.87	5.08	(0.21)	-4.1%	5.06	-3.8%	
Mega Millions	19.82	13.18	6.64	50.4%	20.58	-3.7%	
Powerball	15.52	40.45	(24.93)	-61.6%	20.74	-25.2%	
Lotto Games Total	\$ 46.74	\$ 62.85	\$ (16.11)	-25.6%	\$ 53.12	-12.0%	
Pick-3 FIREBALL	\$ 31.24	\$ 30.96	\$ 0.28	0.9%	\$ 32.39	-3.6%	
Pick-4 FIREBALL	18.38	19.03	(0.65)	-3.4%	19.90	-7.6%	
Jersey Cash 5 XTRA	18.48	10.18	8.30	81.5%	13.39	38.0%	
Cash Pop	4.61	4.96	(0.35)	-7.1%	5.11	-9.8%	
Quick Draw Progressive	7.08	7.73	(0.65)	-8.4%	9.09	-22.1%	
Fast Play Progressive	4.24	4.43	(0.19)	-4.3%	4.63	-8.4%	
Daily Mach. Games Total	\$ 84.03	\$ 77.29	\$ 6.74	8.7%	\$ 84.51	-0.6%	
Scratch Off Tickets	\$ 149.36	\$ 149.01	\$ 0.35	0.2%	\$ 154.04	-3.0%	
Daily Games Total	\$ 233.39	\$ 226.30	\$ 7.09	3.1%	\$ 238.55	-2.2%	
NJ Only Games	\$ 239.92	\$ 230.44	\$ 9.48	4.1%	\$ 245.29	-2.2%	
All Games Total	\$ 280.15	\$ 289.14	\$ (8.99)	-3.1%	\$ 291.66	-3.9%	

FISCAL YEAR TO DATE NET SALES RESULTS							
	Actual FY 2025	Actual FY 2024	\$ Chg	% Chg	Budget FY 2025	% Over -Under	
Pick-6 Double Play	\$ 16.46	\$ 22.00	\$ (5.54)	-25.2%	\$ 20.21	-18.6%	
CASH4LIFE	15.08	16.23	(1.15)	-7.1%	15.80	-4.6%	
Mega Millions	55.95	105.89	(49.94)	-47.2%	66.88	-16.3%	
Powerball	41.06	116.52	(75.46)	-64.8%	63.81	-35.7%	
Lotto Games Total	\$ 128.55	\$ 260.64	\$ (132.09)	-50.7%	\$ 166.70	-22.9%	
Pick-3 FIREBALL	\$ 96.02	\$ 96.09	\$ (0.07)	-0.1%	\$ 100.58	-4.5%	
Pick-4 FIREBALL	57.04	58.41	(1.37)	-2.3%	61.51	-7.3%	
Jersey Cash 5 XTRA	51.70	30.94	20.76	67.1%	40.25	28.4%	
Cash Pop	15.02	14.62	0.40	2.7%	14.92	0.7%	
Quick Draw Progressive	22.05	23.70	(1.65)	-7.0%	28.12	-21.6%	
Fast Play Progressive	12.73	17.20	(4.47)	-26.0%	15.38	-17.2%	
Daily Mach. Games Total	\$ 254.56	\$ 240.96	\$ 13.60	5.6%	\$ 260.76	-2.4%	
Scratch Off Tickets	\$ 456.97	\$ 459.28	\$ (2.31)	-0.5%	\$ 476.86	-4.2%	
Daily Games Total	\$ 711.53	\$ 700.24	\$ 11.29	1.6%	\$ 737.62	-3.5%	
NJ Only Games	\$ 727.99	\$ 722.24	\$ 5.75	0.8%	\$ 757.83	-3.9%	
All Games Total	\$ 840.07	\$ 960.89	\$ (120.82)	-12.6%	\$ 904.31	-7.1%	

MONTHLY PENSION FUND L CONTRIBUTION							
	Actual September-24	Actual September-23	\$ Chg	% Chg	Budget September-24	% Over -Under	
Monthly Contribution	\$ 83.37	\$ 88.54	\$ (5.17)	-5.8%	\$ 87.98	-5.2%	
% of Sales	29.76%	30.62%			30.17%		

FISCAL YEAR TO DATE CONTRIBUTION							
	Actual FY 2025	Actual FY 2024	\$ Chg	% Chg	Budget FY 2025	% Over -Under	
Total Contribution	\$ 245.48	\$ 306.68	\$ (61.20)	-20.0%	\$ 272.78	-10.0%	
% of Sales	29.22%	31.92%			30.16%		

Avg. Jackpots	September-24	September-23	FY 2025	FY 2024
Jersey Cash 5 (k)	\$705.5	\$284.2	\$579.2	\$260.8
Pick 6 (m)	\$9.3	\$2.4	\$6.0	\$11.4
Mega Millions (m)	\$308.5	\$166.2	\$339.3	\$415.7
Powerball (m)	\$167.0	\$630.5	\$119.0	\$453.4

Executive Director Carey stated that total sales for the Lottery were \$280 million; they were down from \$289 million last September, which was a 3.1% change. We were also 3.9% under budget. The Executive Director discussed how the sales budget and projections are calculated. He noted that the budget projections consider, but spread out the impact, of large Powerball and Mega Millions jackpots. He added that there was a large Mega Millions jackpot that was won on September 10, but sales were still 3.7% under budget. He concluded that the sales results were concerning.

Executive Director Carey discussed the announcement that Mega Millions will be increasing its price from \$2 to \$5 in April of 2025.

Executive Director Carey stated that Powerball sales were \$15 million, they were down \$24 million from last year. He noted that last year there was a Powerball jackpot of \$1.7 billion that was won on October 11, and September of 2023 got a lot of benefit from that jackpot run that was coming up.

Executive Director Carey stated that the Jersey Cash 5 sales were \$18.4 million, up \$8.3 million of 81% compared to last year. That is the highest Jersey Cash 5 sales since January 2021.

Executive Director Carey stated that the monthly contribution was \$83.3 million, down 5.8% compared to last year.

Executive Director Carey stated that total contribution year to date was \$245 million, it represents 29.2% of sales and it is down 20% compared to where we were for the first quarter of last year.

Net Proceeds for the Fiscal Year to date exceed \$245.4 million or 29.2% of sales. Executive Director Carey stated that fiscal year profits from lotto games were \$48 million or 37% of sales. Fiscal year profits from daily games were \$94.4 million or 37% of sales. Fiscal year profits from Scratch-Off games were \$100.2 million or 21.93% of sales.

Executive Director Carey stated that during September, there were 78 disbursements issued to annuitants totaling \$1.8 million in payments.

Executive Director Carey stated that the top three selling non-core games for September were "200X Cash Blitz," which generated \$16.7 million in sales, "100X Cash Blitz," which generated \$9.6 million in sales and "50X Cash Blitz," which generated \$8 million in sales.

Executive Director Carey stated that there were many high tier winners throughout the state in September. On September 11, Jersey Cash 5 had one \$1,704,450 winner in Passaic County. On September 18, Powerball had one \$1,000,000 winner in Essex County. On September 20, Mega Millions had one \$1,000,000 winner in Middlesex County. On September 21, Jersey Cash 5 had two \$874,024 winners. One ticket was sold by Jackpocket and one ticket was sold in Passaic County. On September 23, we had the first 100% winner of the Quick Draw Progressive jackpot. That player won \$332,370.

Executive Director Carey stated that on September 26, 2024, another state experienced significant gaming system network issues and could not confirm their pools were closed. This delayed the CASH4LIFE drawing by approximately 4 1/2 hours. All other drawings for the month of September were completed with no significant abnormalities.

Executive Director Carey stated that all on-line game pools were verified and processed with no significant abnormalities.

Executive Director Carey stated that the Validations staff received and sorted 3,579 mailed claim forms during the month. The number of claims received in the drop box was 269. There were 250 claims hand delivered. Staff entered 3,474 claims into the claims payment system and edited 3,130 claims. During the month of September there were 3,342 claims paid totaling \$8.7 million in winnings were paid.

Executive Director Carey invited Adam Perlow, Vice President and Chief Operating Officer of Northstar, to provide an update on Northstar activities. He discussed the September launch of the Cash Blitz family of games. He also discussed a Pick-3 promotion running called "Straight Back Bonus." He announced a Quick Draw promotion for a Big Game giveaway. Every player that buys a Quick Draw ticket from October 7 to December 1 will get a voucher code on the bottom of the ticket that they text that in. Every ticket is eligible to win.

Executive Director Carey stated that John White, Deputy Director of Finance, has announced his retirement. He will be retiring after 38 years with the State of New Jersey on December 31, 2024. Thirty-eight years is an extraordinary record of public service. Among other things, John served as Acting Executive Director for six months of the New Jersey Lottery. He congratulated Mr. White on his retirement.

John White thanked Executive Director Carey and corrected him that it has only been 37 ½ years.

Executive Director Carey stated that Lottery Commission meetings are likely to be on telephone for the next two months. The Lottery will be doing construction to the Commission meeting room so we will be doing telephone meetings.

Chairman D'Anton asked if the player ever come forward that won the Mega Millions in March. Executive Director Carey responded that the player that purchased the Mega Millions ticket in March had not come forward. That prize remains unclaimed. Lottery has done some outreach. We have reached out to Shop Rite, we did some stories and some news releases and we will continue to press with the news. The Lottery will press again in late January or February to remind that player to come forward.

Executive Director Carey concluded the Director's report.

Executive Director Carey asked if there are any questions or comments regarding the Director's report. Hearing no additional questions, Executive Director Carey requested a motion to approve the Director's report. Vice Chairman Leonard made the motion to approve the Director's report. Treasurer's Designee Kanef seconded the motion and all the Commissioners voted yes. The motion carried.

ANNUITY PRESENTATION

Charlene Mello, Assistant Deputy Director of Finance, gave a PowerPoint presentation on annuities.

PUBLIC COMMENT ON AGENDA ITEMS

There was no public comment on agenda items.

NEW BUSINESS

Executive Director Carey certified that consideration for each game included, but was not limited to, intended target market, product family, seasonal factors, launch plans, overall market strategy, sales goals, prior experience, current market trends and market place demands. Additionally, as part of our overall responsible gaming initiatives, these games have been reviewed to identify any problematic elements that could present a risk to vulnerable problem gamblers.

The first item of new business was game rules for three Scratch-Off games.

SCRATCH-OFF GAMES SUMMARY

Instant Game	Price Point	Ticket Quantity	Top Prize	Prize Payout	On-Sale Date
\$500,000 TRIPLE MATCH	\$10	3.6 million	\$500,000	66.51%	6-Jan-25
\$50,000 JUMBO BUCKS	\$10	7.2 million	\$50,000	67.19%	7-Apr-25
\$50,000,000 FAST CASH	\$20	3.96 million	\$500	69.03%	5-May-25

Chairman D'Anton asked if there are any questions regarding the approval of the Scratch-Off ticket game rules for "\$500,000 Triple Match," "\$50,000 Jumbo Bucks" and "\$50,000,000 Fast Cash." Hearing no questions, Chairman D'Anton requested a motion to approve the Scratch-Off ticket game rules for "500,000 Triple Match," "\$50,000 Jumbo Bucks" and "\$50,000,000 Fast Cash." Vice Chairman Leonard

made the motion to approve the Scratch-Off ticket game rules. Commissioner Kazmir seconded the motion and all of the Commissioners voted yes. The motion carried.

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

There was no Executive Session.

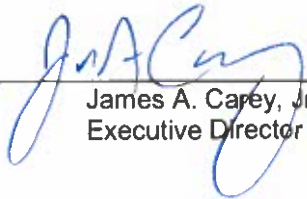
ADJOURNMENT

Chairman D'Anton asked for a motion to adjourn the Public meeting. Vice Chairman Leonard made the motion to adjourn. Treasurer's Designee Kanef seconded the motion and all the Commissioners voted yes. 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 October 17, 2024.

IN WITNESS WHEREOF, I hereby set my hand on

the 15th day of November, 2024.



James A. Capey, Jr.
Executive Director