

VERMONT LOTTERY COMMISSION
Berlin, VT
April 18, 2018

PRESENT: Commissioners: Sabina Haskell, Chair; Ed Flanagan, Michel Consejo, Robert Campo, Susan Popowski
Staff: Danny Rachek, Executive Director; Jeff Cavender, Mary Vaupel
Guests: Karl Fortman, Jeff Savage and Cara Salvatore with Intralot

The meeting was called to order at 9:01 am.

ACCEPTANCE OF MINUTES FROM MARCH 21, 2018.

MOTION

A motion was made by Commissioner Flanagan to accept the March 21, 2018 minutes as distributed. Motion was seconded by Commissioner Consejo and voted in the affirmative.

MARKETING AND SALES – Jeff Cavender

Sales are going well, and the focus is on the Big Event. The Powerball PowerCruise promotion has launched with the cruise setting sail January 2019. We received funds from MUSL to support the PowerCruise promotion.

The Megabucks jackpot is just under \$7M. It is coming up on a year since the jackpot was last won.

The new tickets coming out in May include a Ms. Pac-Man ticket. It will be supported with an online game played for fun and additional drawings for prizes.

A new kind of prize structure for a ticket is also being introduced in May. This ticket is called Win Either \$50 or \$100. This ticket gives the player the opportunity to win either \$50 or \$100, there are no other prizes available. The odds of winning on this ticket are higher because no lower or high tiered prizes are available.

40th anniversary tickets did very well and the remainder of what is left will be pulled from retailers soon.

The invites for the Big Event will be printed this week and will go out to the players by the 27th of this month. The VIP invites will go out two to three weeks after that. The first draft of the script for the show is in production with Fuselideas. At the May meeting, Jeff will provide more details and what to expect the night of the event.

BUSINESS OFFICE REPORT – Danny Rachek for Mary Cassani

Sales for March were up and above projection. The 14M in sales seen in March have been attributed to the success of the 40th anniversary scratch tickets.

SECURITY OFFICE REPORT – Danny Rachek for Brian McLaughlin

Danny reviewed Brian's report with the Commission and answered any questions that they had.

DIRECTORS REPORT – Danny Rachek

Last month was the PGRI conference in Florida. The conference was informative and heavily marketing driven. The primary focus of the conference was to discuss and inform what new trends are coming in the industry and how lotteries can incorporate these into their products.

Progress is being made on the RFP for the gaming contract. Choices are being looked at to hire a consultant to assist in this process. Tri-State Lotto approved the request to hire a consultant.

Merger updates:

- Testimony will be given today in the Senate regarding the merger.
- Meetings with the DLC and Commissioner Delaney regarding the merger have been on-going

Two agents had their license suspended for lack of payment. Both agents had agreed upon a payment plan to pay off their balance. One of those agents has been making their payments on schedule, the other one however has not made a payment since February. A letter went out yesterday to revoke their license that will be effective 30 days from the date of the letter.

A former agent who had their license revoked prior to Danny's arrival, has requested to obtain a new license. As a condition for the new licenses, a surety bond was requested from that agent. To date, there has not been a response from the agent.

INTRALOT – Karl Fortman

The iLook software went into UAT for testing yesterday.

The second new switch has been shipped and should be here by the end of the week.

The marketing and research vendor has been chosen. It is CRPP which is the firm that has been used in the past.

INFORMATION ITEMS

The Tri-State Patriots scratch ticket has been approved by all three states. It is an August release for the ticket that will include a second chance drawing for experiential prizes.

ACCEPTANCE OF REPORTS

MOTION

A motion was made by Commissioner Flanagan to accept the reports as presented. Motion was seconded by Commissioner Popowski and voted in the affirmative.

MOTION

A motion was made by Commissioner Campo to move into executive session at 9:59 am. Motion was seconded by Commissioner Consejo and voted in the affirmative.

MOTION

A motion was made to move out of executive session at 10:47 am. Motion was seconded and voted in the affirmative.

MOTION

A motion to adjourn was made by Commissioner Campo at 10:51 am. Motion was seconded by Commissioner Popowski and voted in the affirmative.

A handwritten signature in black ink, appearing to read "Sabina Haskell", written over a horizontal line.

Sabina Haskell, Chair