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Debbs Potts Oregon State Lottery Commission Building

500 Airport Road SE
Salem, OR 97301

OREGON STATE LOTTERY COMMISSION MEETING August 25, 2022

Lottery Commission: MardiLyn Saathoff, chair
Maulin Patel
Marty Ramirez
Julie Wilcox

Director: Barry Pack

Commissioner Wilcox called the Aug. 25, 2022, Oregon State Lottery Commission meeting to order and stated for the record that the commissioners are attending today's meeting via a web meeting, Chair Saathoff is excused, and a quorum of commissioners is present.

Commissioners present at roll call: Commissioners Patel, Ramirez, and Wilcox.

A. PUBLIC COMMENT

Commissioner Wilcox stated that members of the public had the opportunity to provide written public comment for this meeting and confirmed with the clerk that no public comment was received.

B. COMMISSIONER COMMUNICATIONS

Presenter: Julie Wilcox, commissioner

No communications were shared.

C. DIRECTOR'S REPORT

Presenter: Barry Pack, director

Lottery news

Director Pack shared that Oregon Lottery was recently recognized at the National Council on Problem Gambling Conference for its multi-cultural outreach responsible gaming program. It won for its "Coping with Problem Gambling" Spanish-language campaign which utilized statewide digital and print media platforms. Director Pack noted that as Oregon's population grows and becomes more diverse, it is crucial for the Lottery to be culturally

relevant to all Oregonians. Topics that were translated include playing responsibly, problem gambling resources and help for others impacted by gambling behaviors. Director Pack congratulated the team on all the hard work and the national recognition that was received.

Director Pack reminded the Commission that 30 years ago, Lottery launched the Video Lottery program. The new game required hiring new employees to support it, and 13 of those employees celebrated their 30-year employment milestones this month. Director Pack thanked the staff for their contributions to Lottery's success over the past 30 years.

Sales

- Mega Millions saw a 1,782 percent increase over the same period last year due to a record setting \$1.337 billion jackpot. A single ticket sold in the Chicago area won the jackpot, which is the second-largest Mega Millions jackpot of all time.
- Overall sales were down by about 3.7 percent over this time last year.
- Video Lottery sales were down a little over nine percent compared to last year.
- Scratch-it sales trailed last year by 10 percent but remained above pre-pandemic levels by 17 percent. The average purchase value is \$4.08 this year, which is a 32 percent increase from 2018.
- Combined sales for Powerball and Megabucks were 325 percent above last year, which is attributed to the high Mega Millions jackpot.
- Keno was nearly 10 percent ahead of forecast the current business year.
- Sports betting players wagered more than \$28 million this month, which is a 54 percent increase over last year.

Winners - Director Pack shared a story about a damaged Scratch-it ticket that Player Services received, along with a note about two dogs damaging a ticket and a picture of the two dogs. The Scratch-it ticket was reconstructed and was an eight-dollar winner. A press release was sent out and the story went viral on television, radio, and social media.

D. MINUTES OF THE PREVIOUS MEETING, Exhibit 1

Presenter: Julie Wilcox, commissioner

The Commission reviewed the July 22, 2022, Oregon State Lottery Commission meeting draft minutes, which were circulated in advance of the meeting. There were no recommended changes.

Commissioner Wilcox called for a motion.

Commissioner Patel moved that the minutes of the July 22, 2022, Oregon State Lottery Commission meeting be approved as final, as presented today. Commissioner Ramirez seconded the motion.

The motion passed by a 3-0 quorum vote, with Commissioners Patel, Ramirez, and Wilcox voting aye.

E. FINANCIAL REPORT

Presenter: Kathy Ortega, chief financial officer

Financial statements, June 2022/FY22 year-end, Exhibit 2

Ortega provided an overview of the final FY22 financial statements and described expenses and variances in the operating statement, services and supplies, and balance sheet. Ortega noted that several of the variances are typical for the last month of the year when the financials are getting closed out and vendors are still submitting invoices for the fiscal year.

Monthly financial statements, July 2022, Exhibit 3

Ortega provided an overview of the financial statements and described expenses and variances in the operating statements, services and supplies, and balance sheet.

Commissioner Wilcox called for a motion.

Commissioner Ramirez moved that the Oregon State Lottery financial statements for FY22, which ended June 30, 2022, and the financial statements for the month ended July 31, 2022, be approved for the record as presented today. Commissioner Patel seconded the motion.

The motion passed by a 3-0 quorum vote, with Commissioners Patel, Ramirez, and Wilcox voting aye.

F. RULEMAKING, Exhibit 4

Presenter: Kris Skaro, rules and policy analyst

OAR 177-045-0036: Exception to Temporary Pause on Video Lottery Retailer Applications

Skaro reminded the Commission that Lottery stopped taking Video Lottery retailer applications in December to focus on resolving short-term inventory issues and to develop a comprehensive inventory management strategy. Since that time, Lottery has been developing a long-term Video Lottery equipment management strategy and has made considerable process, including Commission authorization to purchase additional terminals and increased inventory with equipment management activities. Lottery is now able to process the applications that were received prior to the pause and believes that it can support some additional contract applications periodically going forward, while continuing the long-term planning.

Skaro reported that Director Pack adopted a temporary rule that keeps the general pause on applications in place but allows Lottery to process a limited number of applications periodically, as inventory allows. This information will be communicated to retailers, along with instructions on how retailers can express interest and the process that Lottery will use to select applicants if the interest exceeds the inventory. Skaro shared that she will begin the permanent rulemaking process and will report back when the rulemaking process is complete.

G. OTHER BUSINESS

No other business was presented.

The next monthly commission meeting is scheduled Sept. 23, 2022.

The Oregon State Lottery Commission approved the minutes of the Aug. 25, 2022, Oregon State Lottery Commission meeting on Sept. 23, 2022.

Alisa Zavala
Senior Executive Assistant to the Commission
Lottery Director's Office

Approved by:

Commissioner MardiLyn Saathoff, Chair
Oregon State Lottery Commission

DRAFT

OSL Commission meeting exhibits are available for one year on the [Oregon Lottery's website](#).