

**North Carolina Education Lottery Commission
Budget Work Session Minutes**

Tuesday, May 16, 2023

Commissioners in Attendance:

Ripley Rand, Chair
Cari Boyce
Lindsey Griffin
Chris Hayes
Joshua Malcolm
Jason Roth
Pamela Whitaker
Randy Jones
Nigel Long

Select Staff in Attendance:

Mark Michalko
Billy Traurig
Frances Little
Bill Jourdain
Randy Spielman
Terri Avery
Terri Rose

Other Participants:

Benjamin T. Spangler, *Assistant Attorney General,*
Department of Justice

The North Carolina State Lottery Commission Budget Work Session was held on Tuesday, May 16, 2023, at 10:16 a.m. via WebEx.

Billy Traurig, Chief Legal Officer, read the remote meeting announcements.

Chairperson Ripley Rand opened the budget work session acknowledging agenda item number 3, FY2024 Product Plan and asked for Randy Spielman, Deputy Executive Director of Product Development & Digital Gaming to proceed with his presentation.

Product Development and Digital Gaming

The FY24 overview for Product Development covered the following:

1. Scratch-off Trends and Initiatives, Scratch-off Game Plan, Research, and Launch of the first \$50 Game; and
2. Current Draw Game Trends along with the FY24 Draw Game Focuses being Continued Promotional Consistency, Higher Frequency Fast Play Game Changes, Bringing back the Bonus Cash Promotion for Cash 5, and Keno promotions at Social retailers.

Mr. Spielman answered questions from the Commissioners.

Brand Management & Communications Update

Terri Rose, Deputy Director of Brand Management & Communications provided an outline of the FY24 Brand Management & Communications initiatives which covered Preliminary Revenue Goals, Advertising Media and Social Media, along with an Advertising Plan breakdown for July through August.

Also discussed were details for Communications and Marketing which covered the new Moving NC Students Forward Program, WLA Level 4 Recertification for Responsible Gaming, External Communications, and Internal Communications. Specifically, for Marketing, the discussion entailed Retail Marketing, Player Experience, Sports Sponsorships, and Event Planning.

The new design of the Digital Play Center regarding benefits for the players and its features were brought to the attention of the Commissioners along with the new Digital Menu Boards Pilot Program.

Ms. Rose announced Brand Management working efforts with the Ad Agency, Cactus to enhance a new fresh, playful, and exciting experience for Winners during their time at the Claim Centers.

There were no questions from the Commissioners.

Finance Update

Bill Jourdain, Deputy Executive Director of Finance, Administration, and Security, provided the FY2023 – 2024 Proposed Operating Budget.

The details for the proposed upcoming budget included Sales/Prize Payout, Annual Sales Averages, Sales by Game Budget, Distribution of Revenues, Salaries and Benefits, New Position Requests, Advertising, Marketing, Operating Service Costs, Furniture, Fixtures and Equipment, General and Administrative Expenses, Capital Equipment Purchases, Budget Line Increases over \$50,000, along with the Lease Schedule.

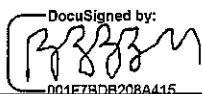
Mr. Jourdain concluded by reviewing a chart comparing the FY2024 and FY2023 Budgets. At the conclusion of the budget presentation, there were no questions from the Commissioners.

Other Business

Commissioner Rand asked if there was any other business the Commissioners would like to take up during the current meeting, there were none.

With there being no other matters of business, Chair Rand called for a motion to adjourn which was made by Commissioner Long. The motion was seconded by Commissioner Whitaker and passed unanimously.

The Commission moved to close the session at 11:47 a.m.

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Chairperson Ripley Rand

6/30/2023

Date