

Maine State Liquor and Lottery Commission
Minutes of Meeting
Tuesday July 11, 2023
Virtual component using Zoom

Call to Order:

Commission Chair Fitzgerald called the meeting to order at 10:00 A.M.

Roll Call

Commissioners in Attendance: Elizabeth Fitzgerald, Julie Sheehan, John Schneck, and Kimberly Monaghan

BABLO/DAFS Staff in attendance: Michael Boardman, Interim Director; Tracy Willett, Acting Deputy Director Liquor; Lisa Rodrigue, Lottery Marketing Manager; Daniel Meaney, Lottery Games Manager; Philip Mantis, Attorney General's Office; Terrance Meehan, Financial Analyst; and Julie Waller, Clerk of the Commission

Pine State Spirits in attendance (Spirits portion only): Sheila Gibbons, Adam Victor, Nick Sanborn, Don Potter, and Tammy Tyler.

Scientific Games in attendance (Lottery portion only): Darrell Frecker

Fuseideas in attendance (Lottery portion only): Steve Mason

Others in attendance:

Spirits portion only: David Hall, Scott Ramsey, and Rob Andreasen; Southern Glazer's; Gary Duncklee, RNDC; Patrick Murphy, Martignetti; Caitlin Murphy, Luxco, Inc.; Seth Ferris, MS Walker; Bob Barton, Ruby Wines; Mae Littlefield, Wild Bevy Distillery; Christine Cummings, MGPPA; Peter Murphy, HPM Associates; Kurt Ciechon, Stone Fence Beverage; Michael Meier, RSVP SALES, Steve Beck

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the June 13, 2023, meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Liquor Operations:

- Interim Director Boardman reported that the budget has passed. BABLO is adding five additional Liquor Inspectors. An Office Associate II position will be added to assist Acting Deputy Director Tracy Willett. An additional Tax Auditor will also be added to BABLO Staff. These positions will likely be posted in October.
- Interim Director Boardman provided an update regarding the RFP. He is optimistic that they will be able to get it out within the next month.

- Interim Director Boardman reported about the Liquor Modernization meetings to be held the following week. The anticipated “go live” date is approximately eight months from July.
- Interim Director Boardman reported on June 2023 sales as follows:
 - Sales report for June:
 - Shipping days: 22 TY vs. 22 LY
 - Cases sold were 133,217 TY vs. 134,408 LY; -.089%
 - Dollar Sales were \$22,851,175 TY vs. \$22,129,250 LY; +3.26%
 - Bailment collected: \$256,741
 - Depletion allowances: \$1,287,470
 - Sales report for YTD:
 - Cases sold were; 1,454,223 TY vs. 1,454,282 LY; 0.00%
 - Dollar Sales were: \$244,253,487 TY vs. 232,150,033 LY; +5.21%
 - Shipping days: 259 TY vs. 259 LY
- Interim Director Boardman reported the following sales and profit reports (sales and profit reports attached to the minutes):
 - Maine Spirits Business Activity for June 2023
 - Budget to Actual Financial Performance
- Acting Deputy Director Tracy Willett reported on the following sales and profit reports (sale and profit reports attached to the minutes):
 - Sales comparisons by County for Maine
 - Top 25 Agents in 3 Month Case Sales Increase
 - Maine Luxury Spirits 3 Month Trend

New Business: None

Old Business: The process of appointing a BABLO Director was discussed.

New Product Listings:

- Acting Deputy Director Tracy Willett presented twenty-eight (28) new product listings for July 2023. A motion was made by Commissioner Schneck to approve all the items presented for listing; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (New product listings distributed and attached to the minutes.)

Label/Package Changes:

- Acting Deputy Director Tracy Willett presented seven (7) label/package changes for July 2023. A motion was made by Commissioner Sheehan to accept the label/package changes as presented; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners

voted in the affirmative; the motion passed unanimously. (Label/package changes distributed and attached to the minutes.)

Value Added Packs:

Acting Deputy Director Tracy Willett presented one (1) VAP/Seasonal listing for July 2023. A motion was made by Commissioner Schneck to accept the label/package change as presented; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (VAP/Seasonal listings distributed and attached to the minutes.)

Rebates:

- Acting Deputy Director Tracy Willett presented two (2) rebates/coupons for July 2023. These rebates/coupons were standard in nature. A motion was made by Commissioner Sheehan to accept these rebates/coupons; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Rebate/coupons distributed and attached to the minutes.)

Pine State Spirits:

- Sheila Gibbons reported on the following:
 - June App Content Trends
 - FY 2023 App Content Trends
 - June 2023 Top Ads
 - FY 2023 Top Ads
 - Facebook June 2023 Performance
 - Top Facebook Posts in June 2023
 - Top Facebook Posts in Fiscal Year 2023
 - Instagram June 2023 Performance
 - June 2023 - Top Instagram Posts (by Likes/Reactions)
 - Fiscal Year 2023 - Top Instagram Posts (by Likes/Reactions)
 - June 2023 Email Marketing
 - June 2023 In The Know
 - June 2023 Blogs
 - Maine Spirits App – Launched January 2018, Total Downloads – 111,031; New Downloads for June – 1,902
 - June 2023 Push Notification Results
 - June TikTok
 - July Sweepstakes

Other Business: None

Public Comments: None

Lottery Operations:

- Interim Director Michael Boardman provided an update regarding Lottery Operations staff.
- Interim Director Michael Boardman reported how the UPS strike may affect Lottery Operations.
- Interim Director Michael Boardman reported on the current draw jackpots.
- Interim Director Michael Boardman provided an update regarding the vending machine project. The first one will be installed at the Gardiner Hannaford on July 25.

Interim Director Michael Boardman reported on YTD (through June 24, 2023) sales as follows:

- Draw Sales FY23 \$9,717,486; +\$33,323,255 or +51.97%
- Fast Play Sales FY23 \$13,621,274; +\$1,305,904 or +10.60%
- Instant Game Sales FY23 \$317,876,650 +\$6,912,113 or +2.22%
- Total Combined Sales FY23 \$410,281,051 +\$24,477,539 or +6.34

- Lottery Profit Transfer to General Fund
 - July Actual FY23 \$9,717,486 +33,323,255 to Budget +51.97%
 - YTD Actual FY23 \$72,084,673; +\$5,584,673 to Budget +8.40%

- Profit Transfer to Outdoor Heritage Fund
 - July Actual FY23 \$89,099 +12,176 to Budget +15.83%
 - YTD Actual FY23 \$1,107,570; +\$307,570 to Budget +38.45%

(Fiscal Year Comparison and Monthly Profit Report attached to minutes)

New Business: 18-553 Chapter 10 Maine State Lottery Rules.

Commissioner Sheehan moved to adopt the Basis Statement as presented for the rule changes to the Maine Lottery Rules. The motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Commissioner Sheehan moved the Commission adopt the amended Maine Lottery Rules as presented to be effective five days from filing with the Secretary of State office. The motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Commissioner Fitzgerald seeing no one opposed, having all voted in the affirmative the rules are adopted.

Old Business: None

Approval of New Games:

- Marketing Specialist Lisa Rodrigue presented ONE (1) new game for approval.
 - (\$10) ULTIMATE DASH

A motion was made by Commissioner Monaghan to accept these games as presented; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Games attached to the minutes.)

Report on Tri-State Activities:

- Commissioner Sheehan reported that a Tri-State meeting was held on June 16 and the Tri-State budget was approved. The next meeting is scheduled for August 18.

Scientific Games:

- Darrel Frecker congratulated Lottery Operations for a record year. All sales records were broken. Darrel provided an update regarding the new credit/debit vending machines. He reported that in September Megabucks will add a third draw. World Poker Tour will end and be replaced with Cash Pop. The Sizzling Summer second chance promotion is doing great. It runs June 1 through July 25. The Gimme 5 promotion is running July 1 through July 30. Powerball first millionaire of the year second chance promotion runs September 1 through October 1. Lotto America promotion will run August 13 through August 26. If you purchase a Lotto America ticket with three consecutive draws you get a chance to win twenty-five dollars instantly.

Fuseideas:

- Steve Mason reported that their June activity included support for the Powerball and NASCAR promotions. They ran for the full month on TV, radio, and digital. They are also running Fast Play promotions for bits of June. Fast Play ads running on the Red Sox sponsorship package in July. They are preparing for Ultimate Dash in August. Powerball first millionaire and Tri-State Megabucks relaunch will occur in September. Cash Pop will be introduced in October as well as the Patriots promotion.

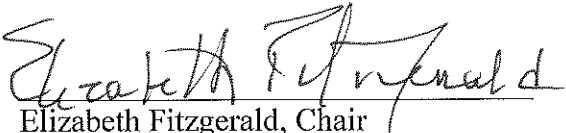
Other Business: None

Public Comment: None

Adjournment:

The next Commission meeting is scheduled for Tuesday, August 8, 2023, at 10:00 a.m.
The August 2023 meeting is tentatively scheduled for September 12, 2023, at 10:00 a.m.

There being no further business Commissioner Schneck made a motion to adjourn; the motion was seconded by Commissioner Monaghan. The roll was called, and the motion carried unanimously. The meeting adjourned at 11:50 a.m.


Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission


Michael Boardman, Interim Director
Bureau of Alcoholic Beverages & Lottery Operations