

**Maine State Liquor and Lottery Commission
Minutes of Meeting
Tuesday October 10, 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, Kim Monaghan, and Stacey Fitts

BABLO/DAFS Staff in attendance: Michael Boardman, Acting 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, Nick Alberding, and Don Potter

Scientific Games in attendance (Lottery portion only): Darrell Frecker, Greta Larson and Renee Loring

Others in attendance:

Spirits portion only: Scott Ramsey, Rob Andreasen, and David Hall, Southern Glazer's; Gary Duncklee, RNDC; Mike Dyer, Roopers; Caitlin Murphy, Luxco, Inc.; Seth Ferris, MS Walker; Bob Barton, Ruby Wines; Kurt Ciechon, Stone Fence Beverage; Cathy Sullivan, RSVP

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the September 12, 2023, meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Liquor Operations:

- Acting Director Michael Boardman provided an update regarding the RFP process. The RFP for the spirits contract will be available soon.
- Acting Director Michael Boardman reported that there are Agency Liquor Store hearings scheduled for October 11, 2023.
- Acting Director Michael Boardman provided an update regarding the liquor modernization project. The Bureau anticipates this project to go live fall of 2024.
- Acting Director Michael Boardman discussed the budget and the new positions that it brings. Five new Liquor Inspectors, two new positions for Licensing and Taxation, and one for Spirits Operations. These positions can be filled as of October 25, 2023.

- Acting Director Michael Boardman reported on September 2023 sales as follows:
 - Maine Spirits Business Activity for September 2023
 - Spirits Financial Activity – FY 2024
 - Budget to Actual Financial Performance
 - Spirits Operating Profits FY 2024

Sales report for September:

- Shipping days: 21 TY vs. 22 LY
- Cases sold were 114,548 TY vs. 121,413 LY; -5.65%
- Dollar Sales were \$19,881,252 TY vs. \$20,514,574 LY; -3.09%
- Bailment collected: \$288,875
- Depletion allowances: \$1,922,229
- Sales report for YTD:
 - Cases sold were; 410,340 TY vs. 420,909 LY; -2.51%
 - Dollar Sales were: \$69,521,605 TY vs. \$69,098,901 LY; +0.61%
 - Shipping days: 65 TY vs. 66 LY

- Acting Deputy Director Tracy Willett reported the following sales and profit reports (sales 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: None

New Product Listings:

- Acting Deputy Director Tracy Willett presented forty-two (42) new product listings for October 2023. A motion was made by Commissioner Sheehan to approve all the items presented for listing; the motion was seconded by Commissioner Fitts. 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 Forty-four (44) label/package changes for October 2023. A motion was made by Commissioner Sheehan to accept the label/package changes as presented; the motion was seconded by Commissioner Fitts. 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 two (2) VAP/Seasonal listings for October 2023. A motion was made by Commissioner Sheehan to accept the label/package change as presented; the motion was seconded by Commissioner Fitts. 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 fourteen (14) rebates/coupons for October 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 Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Rebates/coupons distributed and attached to the minutes.)

Pine State Spirits:

- Sheila Gibbons reported on the following:
 - Simply Fall – Easy food and drink recipes.
 - Fall Rack Art
 - September App Content Trends
 - September 2023 Top Social Ads
 - September 2023 Top Ads
 - Facebook September 2023 Performance
 - Top Facebook Posts in September 2023
 - Instagram September 2023 Performance
 - September 2023 - Top Instagram Posts (by Likes/Reactions)
 - September 2023 Email Marketing
 - September 2023 In The Know Refresh
 - September 2023 Blogs
 - Maine Spirits App – Launched January 2018, Total Downloads – 115,103; New Downloads – 1,064
 - September 2023 Push Notification Results
 - September TikTok
 - September Sweepstakes

Other Business: None

Public Comments: None

The next Commission meeting is scheduled for Tuesday, November 14, 2023, at 10:00 a.m.
The December 2023 meeting is tentatively scheduled for December 12, 2023, at 10:00 a.m.

Lottery Operations:

- Acting Director Michael Boardman reported that there is a huge Powerball jackpot at 1.725 billion dollars which is the second highest Powerball jackpot ever.
- Acting Director Michael Boardman provided an update regarding the third draw that was added to Megabucks in September.
- Acting Director Michael Boardman reported that a new Security and Operations Specialist has been hired and started today, October 10, 2023.
- Acting Director Michael Boardman reported that two new positions have been added with the budget. A Marketing Specialist and an Inventory and Property Associate which both can be filled as of October 25, 2023.
- Acting Director Michael Boardman reported that Bureau is working on a GEA (Government Evaluation Act) which is a report that must be provided to the Veterans and Legal Affairs Committee and then to the Legislature. This GEA is due November 1, 2023.

Acting Director Michael Boardman reported on YTD (through September 30, 2023) sales as follows:

- Draw Sales FY24 \$28,404,618; +\$6,864,091 or +31.87%
- Fast Play Sales FY24 \$3,237,638; -\$388,051 or -10.70%
- Instant Game Sales FY24 \$86,262,981 807,973 or +0.95%
- Total Combined Sales FY24 \$117,905,237 +\$7,284,013 or +6.58%

- Lottery Profit Transfer to General Fund
 - September Actual FY24 \$6,731,498 +599,422 to Budget +9.78%
 - YTD Actual FY24 \$21,721,863; +\$4,552,051 to Budget +26.51%

- Profit Transfer to Outdoor Heritage Fund
 - September Actual FY24 \$193,218 +131,680 to Budget +213.98%
 - YTD Actual FY24 \$471,607; +\$271,608 to Budget +135.80%

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

New Business: None

Old Business: Adoption of Cash Pop Game Rules

Commissioner Fitzgerald entertained a motion to adopt the proposed Basis Statement. A motion was made by Commissioner Fitts to move that the Commission adopt the Basis Statement as presented for rule changes to Cash Pop Games. The motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. Commissioner Schneck absent.

Commissioner Fitzgerald entertained a motion to adopt the proposed rules. A motion was made by Commissioner Fitts to move that the Commission adopt the Cash Pop Game Rules as presented to be effective 5 days from filing at the Secretary of State office. The motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. Commissioner Schneck absent.

Approval of New Games:

- Marketing Manager Lisa Rodrigue presented SIX (6) new games for approval.
 - (\$1) FASTBUCKS
 - (\$2) CASH BLAST
 - (\$3) SLINGO
 - (\$5) SUPER CROSSWORD
 - (\$10) FEELING LUCKY?
 - (\$25) \$100 OR \$250

A motion was made by Commissioner Sheehan to accept these game as presented; the motion was seconded by Commissioner Fitts. 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 had nothing new to report other than a Tri-State meeting is scheduled for November.

Scientific Games:

- Darrel Frecker reported that the vending machine project is complete. He reported that the third draw for MegaBucks has gone well. There is a loyalty meeting scheduled for this afternoon. A draw game and fast play planning meeting is scheduled for October 11, 2023. There is an instant game planning meeting scheduled for October 12, 2023. Some fast play games are launching this Sunday, October 15, 2023. Holiday fast play games will launch next month.
- Greta Larson reported that the 2-million-dollar Powerball winner already has over 520 shares on Facebook this morning, which is more Facebook shares than the 1.35-billion-dollar Mega Millions winner. Play Central broke a couple of records with the effort of credit and debit. Play Central accounted 14.8% of all instant sales, the highest percent on record. Play Central accounted for 31.85% of fast play sales, the highest on record. Play Central accounted for 9.25% of draw sales, this is also the highest on record. Circling back to Megabucks there is a lot of pieces moving to increase awareness with the added draw. For the month of October there is a five times the points loyalty multiplier. They still have the ongoing social media giveaway which ends October 15, 2023. Megabucks had a systems promotion from September 17 to September 30, 2023. They also featured the Megabucks game in their win it Wednesday campaign. In the three weeks post draw change averaging out those three weeks sales then comparing them against the 13-week average, 52-week average, and fiscal year average sales for Megabucks: the average for the last three weeks is up 26.2% over the 13-week average, up 57.8 % over the 52-week average, and up 25.8% over the FY24 average. Last month Greta spoke about the first ticket entered. The highest last month was Mega Millions at 622, Powerball was second at 241, Ultimate Dash was third at 144, and Megabucks was 50. This month Powerball is number one at 983, Ultimate Dash was second at 106, Mega Millions was third at 105, and Megabucks was fourth at 54. In October the Reindeer Run promotion started again. This coming Sunday they have four fast play games coming out including a \$5.00 static game called Unlock the Room. There is a \$10.00 Cold Hard Cash progressive. Another \$20.00 game is coming out which is Maine Lottery's first \$20.00 static fast play game. Also, a \$30.00 fast play game called VIP Club progressive. The progressive jackpot

can potentially get over two million dollars, it starts at five hundred thousand. In November there are three holiday fast play games coming out. Those include a \$2.00 Ho Ho Ho Tick Tack Toe, a \$5.00 Fa La La La Llama, and a \$10.00 Holiday Blowout.

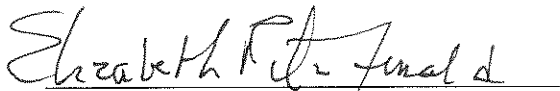
Other Business: None

Public Comment: None

Adjournment:

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There being no further business Commissioner Sheehan made a motion to adjourn; the motion was seconded by Commissioner Fitts. The roll was called, and the motion carried unanimously. The meeting adjourned at 12:00 p.m.



Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission



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