

**TRI-STATE LOTTO COMMISSION**  
Commission Meeting Minutes  
New Hampshire Lottery Headquarters  
14 Integra Drive  
Concord, NH 03301

August 12, 2022 10:30 AM

Present:

Debra Douglas, Commission Chair, NH Lottery  
Julie Sheehan, Commissioner ME Lottery  
Ed Flanagan, Commissioners VT Lottery  
Lynda Plante, NH Lottery  
Katie Brown, NH Lottery  
Kelley-Jaye Cleland, NH Lottery  
Richa Yadav, NH Lottery  
Maura McCann, NH Lottery  
Charlie McIntyre, NH Lottery  
Skip Whitman, VT Lottery  
Don Wenner, VT Lottery  
Lisa Rodrigue, ME Lottery  
Michael Boardman, ME Lottery  
Ryan Sahr, Intralot  
Dominic Timbas, Intralot  
Kristen Pare, Intralot  
Sarah Walker, IGT  
Joseph Charest, IGT

Chairman Sheehan called the meeting to order at 10:40 AM.

**1. ACCEPTANCE OF MINUTES FROM JULY 26, 2022**

Motion was made by Commissioner Flanagan to accept the minutes from July 26, 2022, seconded by Commissioner Douglas. So voted, unanimous.

**2. FINANCE COMMITTEE**

Don Wenner gave a finance update. He noted that the financials were not ready due to the timing of the meeting. Mr. Wenner gave an end of year report for Tri-State. Sales for fiscal year 2022 were lower than forecast by \$4.64 million, or 5.5%. The primary driver was a shortfall in Megabucks sales of \$4.58 million. Lower sales in Pick 3 and Pick 4 of \$458.2 thousand and \$141.8 thousand, respectively, were partially offset by higher than forecast sales in Fast Play of \$489.5 thousand.

Corresponding to the decrease in sales, cost of sales was lower than forecast by \$2.74 million. Operating expenses were lower than forecast by \$1.54 million, driven by underruns in advertising (\$816.9 thousand), RFP consulting (\$490.9 thousand), and license fees (\$130.1 thousand).

Net profit for fiscal year 2022 was \$96 thousand less than forecast.

Of the \$4.35 million in total FY22 operating expenses, 986.9 thousand, or 22.7% were booked in June. This reflected late submission of vendor invoices for services provided earlier in the year.

There was \$2,732,704 in Expired Unclaimed Prizes at the end of June.

Mr. Wenner further gave an update regarding **M&T Bank**, of which our People's United accounts (Winners, Operating, and long-term investments) are now a part and will convert the Tri-State accounts from People's legacy E-Treasury platform to M&T's platform on Labor Day weekend. Preparation and training with Vermont Lottery staff is underway.

**US Bank** (short-term investments) and Ken Donaldson provided a July summary. Mr. Donaldson will attend the fall meeting in Vermont in-person

Mr. Wenner wanted to review **Tri-State Policy #1 – Expense Reimbursement Policy**

- Mileage reimbursement rate increased to \$.625/mile effective July 1, 2022.
- Reminder of IRS' 60-day rule to get all expense reimbursements in for processing.
- Itemized receipts are required for expense reimbursements.

**External Audit by WIPFLI update.** The group was onsite in Vermont in late July. Tri-State is still working on remaining requests for documentation from them.

The discussion on a Tri-State employee pay raise has been postponed until our next meeting due to the end of year closing of the books, the Vermont Lottery, liquor/lottery merger, etc.

### **3. MARKETING AND PRODUCT DEVELOPMENT COMMITTEE**

Maura McCann gave an update regarding the Tri-State Megabucks game. With the upcoming game change of adding a Monday Drawing in September of 2023, it's a good time to revisit the creative that supports the game. At the November Tri-State Meeting, the ad agencies have been invited to provide new and fresh creative via an advertising brief, not only to support the game but also to bring the game into the 22<sup>nd</sup> century.

The brief stressed that with this game, Maine, New Hampshire, and Vermont is one entity of northern New England. This is the local game, one that is won by someone you know, your neighbor, co-worker, in the town where your cousin lives, etc. There is a historical legacy to this game. However, it does need to be updated to the 21<sup>st</sup> century. Expectations are listed in the brief such as updated logo, TV, radio, digital, POS, Social Media Assets along with a firm budgeted amount for production.

Ms. McCann further gave an update regarding the next Tri-State Scratch Ticket. As you may recall, in May vendors presented to the group, what they thought might be the next game to offer our players. From all presentations, the three states of Maine, New Hampshire and Vermont have agreed to look at Tri-State Cash Dash which was offered by Scientific Games and Golden Nugget which was offered by Alchemy 3. A kick off meeting with Scientific Games was held last Friday and we have an upcoming meeting scheduled with Alchemy 3.

A secondary brief has been drafted, a promotional brief. This will be given to the gaming system vendors of Intralot and Scientific Games to come to that same November meeting with some out of the box promotional efforts to support the Tri-State games. We are in a rut. We fallback again and again on BOGO promos, Buy X, Get Y, etc. We had larger plans of inviting promotional companies to come and present to us yet those groups may not understand the money that we have to use, with expected return.

Ms. McCann mentioned the Price is Right® game and promotion as it often effects one or more of us. This would be a non-Tri-State product. The game went on sale last month in Maine and it debuts in October, in New Hampshire. Maine has a \$10 price point while in New Hampshire there will be a \$2 and \$5 price point. The product comes with a 2<sup>nd</sup> Chance Come On Down Challenge in Las Vegas, Nevada for all participating states.

A Big Country Cash scratch ticket update was provided by Ms. McCann. All three states have selected winners for the first Gig Tour with Lee Brice and his band in September. The trip will take them all to Nashville, Tennessee and to Bossier, Louisiana and Sugarland, Texas for shows and then back to Nashville prior to heading home to New England. Gig Tours will provided a person that travels with the group and will provide Tri-State with photos of the event for our social media pages.

Lastly, for the Tri-State Marketing and Product Development Committee, Ms. McCann introduced to the group Sarah Walker and Joseph Charest from IGT, Providence, Rhode Island. Ms. Walker provided the Tri-State group with an overview of a game that has interest in all three states called Cash Pop. Cash Pop offers a matrix of 1 to 15 numbers and players may bet \$1, \$2, \$5 or \$10 per “pop” which is a number. Beneath each number on the player’s ticket is a prize amount, randomly displayed. A player wins by matching the winning “pop” that is chosen with the corresponding prize amount on their ticket. A player will never win less than 5X the amount wagered. Multiple draws may be done daily. We think this is a game that will interest a younger demographic.

#### **4. DRAW REPORT**

Maura McCann noted a draw vacancy on the draw team and that it has been posted for those interested in applying.

#### **5. ACCEPTANCE OF COMMITTEE REPORTS**

Chairman Sheehan requested a motion to accept the committee reports. Commissioner Douglas so moved, and Commissioner Flanagan seconded, both passed unanimously.

#### **6. NEXT MEETING**

Next meeting will be held in person at Hotel Vermont in Burlington on Friday, November 4, 2022 at 9:00 a.m.

#### **7. OTHER**

The Virtual Meeting Policy was discussed. In Maine, the assistant Attorney General is still in the review process.

Commission Chair Douglas entertained a motion to adjourn; so moved by Commissioner Shaheen and seconded by Commissioner Flanagan; meeting adjourned at 11:57 a.m.



---

Debra Douglas, Chair