

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
October 3, 2023 – 2:00 p.m.

Commissioners:

Debra Douglas, Chairman
Andy Crews, Commissioner
Erle Pierce, Commissioner

Lottery Staff in Attendance:

Charles McIntyre	Lynda Plante	Valerie King	Tyson Peltz
Kelly Crockett	James Duris	Len Mannino	Maura McCann
Kelley-Jaye Cleland	Valerie King	John Conforti	Glen Chislett

Others in Attendance:

Jody Grimbilas	Diana Luszc	Laurie McGrath	Carl Nolin
Molly Whear, GYK	Meredith Machulski, GYK	Beverly Learned	Dick Bouley
Paul Lloyd, NH VFW	Ashley Chouramanis	Pat Condon	Stacy Bergeron
Rhonda Lane	Jenna Pacheco	Leo Paquin	Paula Brousseau
Norm Gervais	Chris Samson	Stephen B.	Jan DiMarzio
Dave MacNeil	Kris MacNeil	Wayne Perra	Karen Kersting
David Quinn			

Chairman Douglas called the meeting to order at 2:01 p.m.

1. Public Hearings

• **LUCKY 7, RULES (LOT 7100)**

Chairman Douglas opened the meeting at 2:01 p.m. with a public hearing regarding the proposed rules for Lot 7100, Lucky 7. Oral Testimony was offered by Chris Samson from Tri State Games, Richard Bouley from Diamond Distributions, Diana Luszc from 1269 Café American Legion 43, Jan DiMarzio from Community Bingo Center, Kris MacNeil from Eagles. Chairman Douglas had to adjourn the meeting for a pause at 2:55 p.m. to speak to the other commissioners on another matter, due to the public hearing going over schedule. Chairman Douglas called the public meeting back to order at 3:00 p.m. Continuing the oral testimony was Leo Paquin from American Legion, Karen Kersting from Up Reach, and David Quinn from American Legion. Much of the oral testimony was based on and regarding how the proposed Lucky 7 Rules Lot 7100 would negatively impact these organizations as well as the people that run and work for them. Chairman Douglas thanked everyone for their testimonies and Valerie King for her work as well. Chairman Douglas closed the hearing at 3:05 p.m.

• **KENO FEES (LOT 1103.01)**

Chairman Douglas opened the public hearing for Lot 1103.01 Keno Fees at 3:05 p.m. Seeing no one come forward to testify, the hearing was closed 3:07 p.m.

2. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas requested a motion to **Accept the Minutes of August 15, 2023**, meeting. Commissioner Crews so moved and was seconded by Commissioner Pierce; all in favor, minutes were accepted.

3. FINANCIAL REPORTS

- **Chief Financial Officer, James Duris**, presented August's financials.
- Lottery sales for the month of August increased compared to the same period of the prior year. Mega Millions increased \$5.9M, while Instant tickets and Powerball both increased for the month by \$1.7M and \$1.2M respectively. iLottery continues to grow each month with an increase of \$1.2M.

YTD instant ticket revenues have increased compared to the prior year by \$2.8M. YTD Powerball sales topped \$7.0M. iLottery has had an YTD increase of \$1.7.

- Mobile sports betting revenues of \$1.2M was a decrease of \$0.5M compared to the prior year. The handle was \$34.7M for the month, an increase of \$1.9 compared to the prior year. Retail sports betting revenue of \$121K increased slightly compared to the prior year. Retail sports betting handle was \$4.0M for the month, a considerable decrease compared to the prior year of \$10.5. Mobile YTD revenues are down \$0.9M and retail YTD revenues have decreased \$153K compared to the prior year.
- Racing and gaming revenues increased by \$321K compared to the prior year. YTD revenues have increased by \$309K. Historic Horse Racing revenues came in at \$1.4M, an increase of \$1.0M.
- Operating transfers for August were \$13.6M. This was above projections by \$0.4M. YTD transfers to ETF stand at \$30.0M, beating projections by \$3.6M.
- The details of accounts receivable are as follows:

➤ Operating AR	\$	(17,445)
➤ Tri-State Lotto	\$	912,541
➤ MUSL	\$	(2,472,376)
➤ Other AR	\$	1,480,381
- Advertising expenses were high for the month due to multiple media buys, including jackpot alerts. We also released prepaid expenses from the prior year. Council For Responsible Gaming currently has zero expense while they search for a new provider.

Chairman Douglas requested a motion to accept the presented financial report. Commissioner Crews moved to accept, seconded by Chairman Pierce. Motion passed 3-0.

4. SPORTS BETTING

- **Chief Compliance Officer, John Conforti**, presented July and August's reports.
 - July Mobile and Retail Results
 - \$36,929,342 in Handle
 - \$3,511,867 in GGR
 - Hold of 9.51%
 - \$1,551,249 in revenue to the State
 - August Mobile and Retail Results
 - \$38,765,940 in Handle
 - \$3,344,212 in GGR
 - Hold of 8.63%
 - \$1,454,175 in revenue to the State
 - YoY Bets and Active users (July/August '22 to '23)
 - Increase in mobile bets of 27.63%
 - Decrease in retail bets of 33.09%
 - Increase in active users of 34.27%

5. COMPLIANCE

- **Chief Compliance Officer, John Conforti**, presented sales reports for August. Mr. Conforti reported that Games of Chance revenue is growing year over year. State revenue is up \$575,000, whereas last August it was \$463,000. This is showing a healthy and growing rate of the \$50 dollar bet. Mr. Conforti reported there are two licenses pending, and one could go live as soon as this week. There's continuous growth, learning, and compliance with HHR. GLI will be coming out this Fall for an annual audit. John also reported that he will update the commission on the rent with the next quarter report.

6. SALES PRODUCT AND PROGRAM UPDATE

- **Chief Product and Programming Officer, Kelley-Jaye Cleland**, provided a report for the month of September.

KJ reported on the iLottery update for most of September. This resulted in the month ending in a negative 3% for FTD's (First Time Depositors) given the Jackpot. Megabucks first week launch produced over \$106,000 which is huge and exciting. Ms. Cleland Reports iLottery's Lucky for Life is doing very well. FY23 iLottery split was 19.63% of total L4L sales. FY24 iLottery split is already 31.62% of total L4L sales, and that's just as of a few months into the new fiscal year. Come December it will be very interesting to see how things sync up. KJ reported the huge increase on the \$10 Fast Play for FY24 compared to FY23. This was due to the Live Free and Win launch. KJ announced the CGS move from Ohio to Georgia in October.

7. MARKETING REPORT

- **Director of Marketing, Maura McCann**, provided a report for September. Maura reported on the iLottery side that they are on a great point of collaboration with our vendor NPI and the sharing of resources and creative is at a good place. Tri-State MEGABUCKS with the change of the additional day and it added online is great addition as well. Holiday creative is in full swing and ready to go out. We are ramping up on our 60th Anniversary. Golden Spin is Coming up in the Spring.


8. OPERATIONS UPDATE

- **Chief Operating Officer, Lynda Plante** provided updates for the month of October. She introduced new employee Glen Chislett and announced two employee promotions. Lynda reported that five positions have been filled and six positions are currently posted and are being recruited for.
- Two employees are scheduled to attend the CRASE training on November 15th.
- Facilities and fleets report twenty de-stratification fans have been added to the garage and warehouse. Excellent for climate control and energy savings. We are the first to receive them. This is a project totaling \$26,730 with no cost to our agency. We also received G&C approval to add two vehicles to our fleet.
- The building project with Koal PLLC out of Gilford, NH is still on going. We are working with the Department of Public Works (DPW) to request a bidding proposal for a new server room, HVAC, generator, and roof. We are continuing to wait on DAS to renew the vendor contract to continue moving forward. The ETA for next steps is early 2024.

9. Next Meetings

- Wednesday, November 15, 2023, at 10:30am, located at Lottery Headquarters, 14 Integra Drive, Concord, NH. 03301.

Chairman Douglas entertained a motion to adjourn at 3:55p.m was made by Commissioner Crews and seconded by Commissioner Pierce. Motion passed 3-0.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner

Respectfully submitted, Kelly Crockett