

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
June 20, 2023 – 10:00 a.m.

Commissioners:

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

Lottery Staff in Attendance:

Charles McIntyre	Lynda Plante	Maura McCann	Valerie King
Tyson Peltz	John Conforti	Kelly Crockett	Jay Lau
Kelley Jaye Cleland	James Duris	Katie Brown	Heather Child
Matthew Sullivan	Len Mannino	Richa Yadav	

Others in Attendance:

William Baker, NFL	Meredith Machulski, GYK	Molly Tobin, GYK
Jeff Newman, GYK	Travis York, GYK	Jodi Grimbilas, SGI
Paula Maltman, SGI	Ryan Sahr, Intralot	Jeremy Kyzer, SGI
Rhonda Lane	Melanie Carraher, DAS	Bobby Collins, RYP Granite
Peter Bragdon, CDI		

Chairman Douglas called the meeting to order at 10:01 a.m. Public attendance available in person and via Microsoft Teams Meeting.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas requested a motion for the **Acceptance of Minutes for May 23, 2023**, meeting. Commissioner Crews moved to accept, seconded by Chairman Douglas. Motion passed 3-0. Minutes accepted and signed.

2. FINANCIAL REPORTS

- **Chief Financial Officer, James Duris**, presented May's financial report.
- Lottery sales for the month of May increased compared to the same period of the prior year. Instant tickets and Fast Play both increased for the month by \$1.0M and \$0.4M respectively. Keno and Lucky for Life both saw increases. All other games remained essentially the same. iLottery did see a decrease compared to the prior year. YTD instant ticket revenues have increased compared to the prior year by \$5.6M. YTD Powerball and Mega Millions increases are \$6.9M and \$19.8M. iLottery has had an YTD increase of \$7.0M and Lucky for Life has increased \$2.5M.
- Mobile sports betting revenue increased \$0.4M compared to the previous year with \$2.7M in revenues. The handle was \$46.4M for the month, a decrease of \$14.4M compared to the prior year. Retail sports betting handle was \$5.7M for the month, a decrease of \$9.6 compared to the prior year. This resulted in \$411K in revenue. Mobile YTD revenues are up \$15.6M and retail YTD revenues have increased \$2.4M compared to the prior year.

- Racing and gaming revenues remained compared to the prior year. YTD revenues have increased by \$321K. Historic Horse Racing revenues came in at \$1.3 Million for the month and are currently \$7.2 Million YTD.
- Operating transfers for May were \$13.8M. This was above projections by \$3.1M. YTD transfers to ETF stand at \$172.8M, beating full year projections by \$33.1M. We have one more transfer in this fiscal year.
- The Detail of accounts is as follows:
 - Operating AR \$ (697,236)
 - Tri – State Lotto \$ 1,259,663
 - MUSL \$ 397,207
 - Other AR \$ 3,078,159
- Instant ticket expense is high due to the ticket enhancements for new games, including a \$25 ticket.
- Miscellaneous expense is high for the month. This is due to paying the balance due to the engineering firm for building improvements. Education/Training expense includes agency wide diversity training.

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

3. SPORTS BETTING

- **Director of Sports Betting, Danny Maloney**, presented the May's sports betting results which were good overall.
- **May Mobile and Retail Results**
 - \$52,137,614 in Handle
 - \$7,042,470 in GGR
 - Hold of 10.25%
 - \$3,078,159 in revenue to the State
- MA is definitely having an effect on our handle, particularly retail but revenue still increased YoY
 - Our results with MA have been very similar for April and May; similar hold % and similar ratio of money to the state.

4. SALES AND PRODUCT DEVELOPMENT

- **Chief Product and Programming Officer, Kelley-Jaye Cleland**, provided an overview for the month of May.
- Ms. Cleland reports that we are seeing an increase on Jackpot Runs after a three-month drought. This has caused an increase in retail in iLottery Mega Millions and Powerball sales.
- KJ reports that we have our goals for FY24 for iLottery and she will share those with the committee at next month's meeting.
Fast Play Fridays and the Second Chance Drawings were going to be continued on into the next quarter, but the release is not happening as planned for the new Fast Play Games. This will be pushed off until that is ready. The \$1, \$2, and \$5's is doing great because of the promotion that you can buy any denomination Fast Play and have a chance to win \$25. The \$20 Fast Play hasn't dropped off much but is beginning to build because there's a Jackpot building again. The hopes of the new \$10 launching should increase the low sales of the \$10. The release of the new \$10 is yet to be determined, but Ms. Cleland believes the \$10 price point will be strong just like it is for scratch.
- The launch of the new \$25 ticket will be here at headquarters Monday, June 26, 2023. This is before it hits retail stores June 28, 2023. There have been increases on the \$20's, \$10's, and the \$5's, and we are up over 2% at this time than we were last year and FY21.
- KJ reported that Keno remains flat, but the percentage of sales continues to increase for our traditional retailers.

- The iLottery RFP was finally issued and the final proposal is due back August 9, 2023.

5. MARKETING

- **Director of Marketing, Maura McCann**, provided an overview of the month of May.
- Ms. McCann reported on Tri – State’s side of Fast Play. The twelve week look back at per capita sales, Vermont comes in at #2 per capita in the US, New Hampshire is #4 per capita, and Maine is at #11.
- Maura reported on the new html display ads that roll up to what the Jackpots are.
- There are 1400 new iLottery players in May, and about 900 new registrations so far thru this month of June.
- The iLottery page is getting much attention and is up 5% in views. We have over 110,000 sports betters here in New Hampshire. Also, Maura reported there are over 1400 new players in May.
- For App downloads we are now at 108,000.
- Maura reported on some of the wrap ups of the second chance drawings. Tri State Gimme 5 Second Chance drawing ended June 7th. Go Pates third and final drawing ended June 7th as well. The Price is Right third and final drawing is complete as of June 15th. Fast Play It Again second Chance drawing is still on going throughout June, and the Double Your Million is still on going.
- The \$10 Ultimate Dash and Tri – State Ultimate Da\$h 2nd Chance drawings are underway.

6. OPERATIONS

- **Chief Operating Officer, Lynda Plante**, provided an update for May and June.
- Ms. Plante introduced three new employees to our organization. Two positions are currently posted, and hopefully they will be filled soon.
- There are two employee training and offerings to report. All employees did attend the Diversity, Equity, and Inclusion training sessions. All new employees are scheduled to attend the CRASE (active shooter Training) on June 21st and July 19th.
- The facilities and fleet report the planning of the Carmela J. Nolin Memorial event for the new bench in July.
- Lynda also reports that the building projects with KOAL PLLC out of Gilford, NH, is in the works. We are currently working with Department of Public Works (DPW) to request a bidding proposal for the new server room, HVAC, generator, and roof. Lynda reports we are waiting for the final State budget approval and determining next steps.

7. COMPLIANCE

- **Chief Compliance Officer, John Conforti**, reported sales reports for the month of May.
- Mr. Conforti will provide the Sales Reports for next months meeting as they weren’t ready for today.
- There was a transfer of the Northwoods Casino in Berlin back to the original owners. They own other locations which made vetting a quick process from John’s perspective.
- The upcoming UPS strike, John reports that we have made the necessary precautions for lottery distributions. If this strike does take place, John assured the committee that we will be alright.

8. OTHER BUSINESS

- **NH Lottery Commission Executive Director, Charlie McIntyre**, reports that the Mega Millions consortium appears to be pushing forward on the \$5 Mega Millions change for January of 2025, there’s a game change coming. Many things still need to be worked through, and there will also be a significant lead time.

9. NEXT MEETING

- The next meeting is scheduled for Tuesday July 25, 2023, at 10 a.m. at Lottery Headquarters.

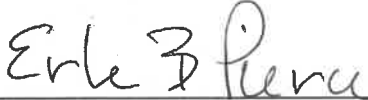
Chairman Douglas entertained a motion to adjourn meeting at 10:54 a.m. which was made by Commissioner Crews and seconded by Chairman Douglas. Motion passed 3-0.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner