

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
April 30, 2024 – 2:00 p.m.

Commissioners:

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

Lottery Staff in Attendance:

Charles McIntyre	Lynda Plante	Valerie King
James Duris	Maura McCann	Kelly Crockett
John Conforti	KJ Cleland	Len Mannino
Danny Maloney		

Others in Attendance:

Adam Schmidt, Sci Games	Peter Bragdon, Churchill Downs
Jeff Newman, GYK	Travis York, GYK

Chairman Douglas called the meeting to order at 2:02 p.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas Accepted the Minutes of March 21, 2024, meeting. Commissioner Crews moved to accept and was seconded by Commissioner Pierce. All are in favor, motion passed 3-0.

2. FINANCIAL REPORTS

- **Chief Financial Officer, James Duris**, presented March 2024, financial summary.
 - Lottery sales for the month of March increased compared to the same period of the prior year. Powerball and Mega Millions both increased by \$3.6 million and \$ 2.6 million respectively. Instant ticket sales decreased by \$1.0 million. Megabucks continues to see an increase since being offered on iLottery platform. All other game sales remained relatively flat. YTD instant ticket revenues have decreased \$3.0 million. YTD Powerball sales topped \$47.4 million, increase of \$7.2 million. iLottery has had a YTD increase of \$5.7 million. Megabucks sales have increased over \$5.1 million over the prior year.
 - Mobile sports betting revenues of \$2.2 million was an increase of \$1.3 million compared to the prior year. The handle was \$65.1 million for the month, a decrease of \$28.3 million compared to the prior year. Retail sports betting revenue of \$270K decreased by \$0.5 million compared to the prior year. Retail sports betting handle was \$7.6 million for the month, a decrease compared to the prior year of \$2.2 million. Mobile YTD revenues for mobile and retail have decreased \$2.1 million and \$1.6 million, respectively.

- Racing and gaming revenues came in at \$992K, an increase of \$266K compared to the prior year. This is due to the posting of unclaimed prizes. YTD revenues have increased by \$839K. Historic Horse Racing revenues came in at \$2.0 million, an increase of \$1.0 million. HHR revenues have increased by \$9.4 million for the year.
- Operating transfers for March were \$17.4 million. This was above projections by \$5.3 million. YTD transfers to ETF stand at \$148.8 million, beating projections by \$42.0 million.
- Audit expense of \$94.7K posted in the month for FY23. DoIT expense is high for the month due to low projections in the prior months. Advertising expense has increased over the prior year. The FY24 budget increased this year. All other expenses are in line with expectations.

Chairman Douglas proposed a motion to approve March financials, seconded by Commissioner Crews. Motion Passed 3-0. Financial report approved. All are in favor.

3. SPORTS BETTING

- **Director of Sports Betting, Danny Maloney**, provided March's meeting presentation.
 - March Mobile and Retail Results
 - \$72,597,058 in Handle
 - \$5,585,067 in GGR
 - Hold of 7.69%
 - \$2,431,041 in revenue to the State
 - YoY Bets and Active users (Mar '23 to '24)
 - Increase in Mobile bets of 6.1%
 - Decrease in retail bets of 2.69%
 - Increase in active users of 2.9%
 - Fiscal '24 YTD
 - \$26,218,425 in revenue to the State
 - Since Inception
 - \$107,318,661 in revenue to the State

4. SALES PRODUCT AND PROGRAM UPDATE

- **Chief Product and Programming Officer, KJ Cleland**, provided a report for the month of March. Ms. Cleland reports that we had a really good jackpot run in March. We had the highest deposits in a month at \$9.9 million, and the highest net gaming in a month just over \$6 million. If this continues, our current average NGR for this full quarter should end 14% over NGR goal. Ms. Cleland provided graphs by NPi that shows the Net Gaming trend, and deposit trends. The graphs gave a great illustration of the growth over the previous years. e-Instant trend graphs show that we are down the past week, and this is because we had big wins which impacted net gaming. The New Hampshire Quick Draw and Jackpot Spectacular was launched in the hopes of drawing in e-instant players. This is our first multi-State e-Instant with Pennsylvania and Virginia, making us the third to go in the multi-State jackpot. Ms. Cleland stated that with over eight hundred e-instant games in the US, this game contributes to almost 10% of total US sales. The High Roller Omni that was launched in February has shown amazing results. The \$10 progressive Fast Play ticket is showing consistent weekly sale growth, and also shows players returning back to retail stores to buy more. Lottery cash and coupons is also doing extremely well. We are seeing an 84% redemption rate with customers. Ms. Cleland reports some upcoming enhancements. We are hosting multiple open house events to understand how retail has evolved since 2009. We are working on new Keno draw shows and multi-state Fast Play game.

3. MARKETING REPORT

- **Director of Marketing, Maura McCann**, provided a report for the month of March. Ms. McCann was excited to announce the Powerball Jackpot winner claimed his ticket in Portland Oregon. New Hampshire had a very nice win with Tri-State Megabucks \$13.1 million. This month we've seen the highest number of draw game sales for iLottery. For e-Instant games, we have two providers IWG and NPI. We like to sit down with the providers to ask them what they thought while building the game, and what are some of the attributes they thought would attract players. We also like to listen to them and their knowledge of sales, and what they anticipate the sales to be. They can tell us if the game will perform average or above, and we can determine how we want to advertise the game from that. Ms. McCann said the animated banners drove 25% more action on the iLottery game page than the static banners. Public relations are going well. We have the \$10, win \$500,000 Fortune Series campaign, retail rewards, next month we have the \$10 Golden Spin, and the second chance drawing to go to Vegas.

4. OPERATIONS UPDATE

- **Chief Operating Officer, Lynda Plante**, provided updates for the month of March. Ms. Plante had no new introductions or promotions to report. We have five new positions we've posted and are currently recruiting for. Three employees are attending the CRASE training this month. Ms. Plante was excited to announce Employee Recognition Week starting May 5, 2024, with various prizes and fun treats throughout the week. Facilities and fleet are in the process of expanding our leased space to support the Investigations and Compliance Division. Ms. Plante also updated the committee on the work with DPW for a new server room, HVAC, generator, and roof. This project is currently moving forward with an anticipated G&C date in June to confirm the selected contractor. Once G&C approves, we will be provided phase one of the project, in the hopes of as soon as mid-July.

5. COMPLIANCE

- **Director of Investigations, and Compliance, Valerie King**, requested a motion from the commissioners to submit the proposed Bingo Rule (Lot 7000) into the rulemaking process.

Chairman Douglas asked for a motion, and Commissioner Pierce moved, and seconded by Commissioner Crews. All are in favor.


- **Chief Compliance Officer, John Conforti**, provided the commissioners with two packets, one is the March Revenue report and the other is the rent report. It was a record month for Games of Chance and Historic Horse Racing in March. This is due to the ongoing success of HHR and the calendar month having three Fridays, three Saturdays, and three Sundays. This record will probably stand for a little bit. For the month of March, State Revenue was \$657,000 which is up substantially from last year at \$511,000. Mr. Conforti reports that on the HHR report, the total handle is \$162 million. This is a record with substantial growth from all locations. As of the middle of June charities will no longer be charged rent. The rent report provided today will be the last. Everything at this point is steady and status quo.

6. NEXT MEETING

- Wednesday, May 22, 2024, at 10 a.m. Located at New Hampshire Lottery Headquarters, 14 Integra Drive, Concord, NH, 03301.

- Friday, June 21, 2024, at 10 a.m. Located at New Hampshire Lottery Headquarters, 14 Integra Drive, Concord, NH, 03301.

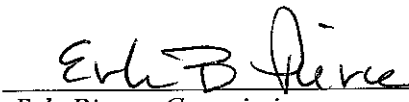
Chairman Douglas entertained a motion to adjourn at 3:10 p.m. Commissioner Pierce moved and seconded by Commissioner Crews. All are in favor.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner

Respectfully submitted, *Kelly Crockett*