

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
June 21, 2024 – 10:00 a.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
KJ Cleland	Jenn Rouse	Len Mannino

Others in Attendance:

Seth LaPointe, SGI	Rich Parsons, RYP Granite	Karen Kersting, Up Reach
Adam Schmidt, SGI	Colleen Hernandez, CBC	

Chairman Douglas called the meeting to order at 10:02 a.m.

1. PUBLIC HEARINGS

- Bingo Rule (LOT 7000)
Chairman Douglas opened the meeting at 10:01 a.m. with a public hearing regarding the proposed rules for Lot 7000, Bingo. Chairman Douglas closed the public hearing at 10:06 a.m.

2. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas Accepted the Minutes of May 22, 2024, meeting. Commissioner Crews moved to accept and was seconded by Commissioner Pierce. All are in favor, motion passed 3-0.

3. FINANCIAL REPORTS

- **Chief Financial Officer, James Duris**, presented May 2024, financial summary.
 - Lottery sales for the month of May increased compared to the same period of the prior year. Fast Play and Mega Millions have both increased over the prior year. Instant ticket sales decreased by \$1.7 million, while iLottery increased \$1.3 million. All other game sales remained relatively flat. YTD (Year to Date) instant ticket revenues have decreased \$6.2 million. YTD Powerball sales have increased \$10.6 million, while Megabucks sales increased \$5.7 million. iLottery has had a YTD increase of \$8.4 million.
 - Mobile sports betting revenues of \$2.5 million was a slight increase over the prior year. The handle was \$51.7 million for the month, an increase of \$5.3 million compared to the prior year. Retail sports betting revenue of \$293K decreased by \$117K compared to the prior year. Retail sports betting handle was \$6.3 million for the month, an increase compared to the prior year of \$0.6 million. Mobile YTD revenues for mobile and retail have decreased \$2.6 million and \$1.9 million, respectively. Combined YTD sports betting revenues have topped \$30.0 million.
 - Racing and gaming revenues came in at \$866K, an increase of \$129K compared to the prior year. YTD revenues have increased by \$1.1 million. Historic Horse Racing (HHR) revenues came in at \$2.2 million, an increase of \$0.8 million. HHR YTD revenues were \$18.6 million, an increase of \$11.4 million over the prior year.
 - Operating transfers for May were \$18.5 million. This was above projections by \$5.5 million. YTD transfers to ETF stand at \$185.7 million, beating projections by \$38.5 million.
 - Expenses for upcoming building renovations have begun to be received. A new line item has been added to record these expenses over the next year. DoIT expenses increased for the month due to the purchase of new equipment and software licenses. All other expenses are in line with expectations.

Commissioner Crews proposed a motion to approve May financials, seconded by Commissioner Pierce. All are in favor, motion passed 3-0.

4. SPORTS BETTING

- **Director of Sports Betting, Danny Maloney**, provided May's meeting presentation.
 - May Mobile and Retail Results
 - \$58,030,362 in Handle
 - \$6,516,847 in GGR
 - Hold of 11.23%
 - \$2,835,816 in revenue to the State
 - YOY Bets and Active users (May '23 to '24)
 - Increase in mobile bets of 21.47%
 - Decrease in retail bets of 7.66%
 - Increase in active users of 10.89%
 - Fiscal '24 YTD
 - Since Inception
 - \$112,460,942 in revenue to the State

5. SALES PRODUCT AND PROGRAM UPDATE

- **Chief Product and Programming Officer, KJ Cleland**, provided a report for the month of May. Ms. Cleland gave an iLottery update that showed we are still on a great progression for the end of the year. Jackpot Spectacular yielded solid total deposits, even without a DBG jackpot, and accounted for over 20% of instant purchases. We met with NPI to talk about our goals and actuals for next year. Our FTD goals are up from last year as well as our FTD actuals from the prior year. Right now, we are over 90 million for FTD actuals. Our NGR we are over 8%, and our FTDs are down 31%, this is due to jackpot fatigue. Looking forward to iLottery goals and actuals for FY25, FTDs are at 16,000 (an 8% decrease over FY24). Deposits are at \$103,045,863 (21% increase over FY24 goal). NGR at \$67,700,00 (25% increase over FY24 goal). Scratch tickets are down in comparison to last year by 2%. Compared to FY21 we are up 19% and never really decreased. Ms. Cleland also stated that her team, and Jenn Rouse's team work very hard to keep all the programs running well. The week ending 6/15/24 saw an increase, largely due to the new \$20 game and two high-performing \$10 games. We are working on the multi-State Fast Play for this Fall. There's still a good amount of work to be done. We completed all of the open house iLottery RFPs, and the contract was approved by G&C on 6/12/24. NeoGames was awarded the contract, and at the end of July, they are coming to Lottery headquarters for two days for a full kickoff to ensure we have full support to get this going live. Salesforce, all discovery sessions are complete and well underway with Charitable Gaming, Licensing, and Admin/Customer support.
- **LSR Bonuses**
 - We had a meeting with Charlie and Jim about the LSR bonuses this week and are requesting approval for FY25.

Commissioner Crews made a motion to approve the FY25 LSR Bonus Plan, seconded by Commissioner Pierce. All are in favor.

6. MARKETING REPORT

- **Director of Marketing, Maura McCann**, provided a report for the month of May. Now that we are at the end of the year, we have many invoices coming through, and they are being processed. We reorganized the e-instant page which has continued to grow and has about 140 games that a player can choose from. We streamlined the page for players to navigate e-instants with a little more ease and made the page visually easier for players. With no complaints, we feel we did a great job. All three States Vermont, New Hampshire, and Maine are reporting exceptional sales on the \$10 Goldin Spin scratch ticket. With Sports Betting it gave us some great numbers with the Celtics bringing home the championship. Ms. McCann reports that it's NASCAR weekend, and we are out there with brand awareness at the track.
- Request for approval on the extension of the GYK 2025 and 2026 contract.
 - Ms. McCann stated to the Commissioners that we are in a three-year contract with GYK and we're in year two.

Commissioner Crews moved to support the extension for the GYK contract 2025 and 2026 if there's no change outside of the two-year term and the balance is achieved with that.

7. OPERATIONS UPDATE

- **Chief Operating Officer, Lynda Plante**, provided updates for the month of May. Ms. Plante had no employee introductions or employee promotions. However, Ms. Plante announces John Conforti Chief Compliance Officer, is leaving the Lottery on June 28. Paul Sullivan, Lottery Sales Representative, is retiring on June 30. Ms. Plante gave a position update, one position is filled, and we're currently recruiting for five posted positions. We also filled the Communications Specialist position with Ms. Janey Graves, and she starts June 24. The Know Your Numbers onsite event was held on May 30 with twenty-one participants. Ms. Plante continued with a report on facilities and fleet. We are in the process of expanding our leased space to support the Investigations and Compliance Division. The request for approval will go to G&C for approval on June 26. We also have new strobes added throughout the building to enhance notification in the event of an active shooter. The building project is underway with DPW for a new server room, HVAC, generator, and roof. The project was approved by G&C on May 29 to confirm the selected contractor, Aberthaw Construction Company Inc. out of Lowell, Ma. Phase one of the project is still scheduled to start in mid-July.


8. COMPLIANCE

- **Director, of Investigation and Compliance Division, Valerie King**, provided the Commissioners with an update for May. Ms. King gave the commissioners an update on the latest Gaming report. We are seeing an overall increase in Games of Chance. Some were down a bit, but we don't expect that to continue. Some of the rooms had some turnover, and a few others reduced their hours of operation. The report on the rents will no longer be received. As of June 15, we are no longer charging charities for rent. Historical Horse Racing (HHR) we saw an increase of 8.2%.

9. NEXT MEETING

- Friday, July 23, 2024, at 10 a.m. Located at New Hampshire Lottery Headquarters, 14 Integra Drive, Concord, NH, 03301. Tuesday, August 27, 2024, at 10:00 a.m., is tentatively scheduled.

Chairman Douglas entertained a motion to adjourn at 11:15 a.m. Commissioner Crews moved and seconded by Commissioner Pierce. All are in favor, motion passed 3-0.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner