

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
September 10, 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	Danny Maloney	Len Mannino
Katie Brown	Jenay Graves	Cooley Arroyo
Rick Como		

Others in Attendance:

Seth LaPointe, SGI	Ryan Sahr, Intralot	Jeff Newman, GYK Antler
Adam Schmidt, SGI	Rich Parsons, RYP	Peter Bragdon, Preti Flaherty

Chairman Douglas called the meeting to order at 10:00 a.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas Accepted the Minutes of July 23, 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 July 2024, financial summary.
 - Lottery sales for the month of July decreased considerably compared to the same period of the prior year. Instant tickets decreased by just under \$5 million compared to the prior year. Powerball and Mega Millions decreased by \$6.7 million and \$4.7 million respectively. This is due to both draw games experiencing major jackpot runs this time last year and was not unexpected. Fast Play had a modest increase while other platforms remained relatively flat.
 - Mobile sports betting revenues of \$1.4 million was an increase over the prior year. The handle was \$45.4 million for the month, an increase of \$12.0 million compared to the prior year. Retail sports betting revenue of \$129K decreased by \$50K compared to the prior year. Retail sports betting handle was \$2.9M for the month, a decrease compared to the prior year of \$0.6 million.
 - Racing and gaming revenues reflect the year-end accrual process and revenues will not be recognized until revenues are received for the month. We did make a change in accounting practice for Historic Horse Racing and have accrued revenue estimates of \$2.0 million.
 - Operating transfers for July results were \$12.4 million. This is below projections by \$2.3 million.
- Commissioner Crews proposed a motion to approve financials as presented, seconded by Commissioner Pierce. All are in favor, motion passed 3-0.

3. SPORTS BETTING

- **Director of Sports Betting, Danny Maloney**, presented July 2024, sports betting summary.

- June Mobile and Retail Results
 - \$48,323,804 in Handle
 - \$3,530,238 in GGR
 - Hold of 7.31%
 - \$1,533,619 in revenue to the State
- YoY Bets and Active users (Jun `23 to `24)
 - Increase in mobile bets of 14.92%
 - Decrease in retail bets of 2.82%
 - Increase in active users of 15.45%
- Fiscal `24 Final
 - NH finished 2nd in per capita revenue to the state from sports betting.
- Since Inception
 - \$116,288,766 in revenue to the State.

4. SALES PRODUCT AND PROGRAM UPDATE

- **Chief Product and Program Officer, KJ Cleland**, presented a report for July through August. iLottery is performing well. Deposits and net gaming are increasing week to week. Hopefully, we see an improvement in FTDs. Jackpot Spectacular is still performing strong at 17% for e-instant bets. The Big \$10 scratch ticket is doing well and has far outpaced the \$20 and \$25 scratch tickets for the past few years. Fast Play's launch of the \$10 game increased drastically from 12% eleven weeks before launch to an 18% increase since launch. There was a little decrease in the \$5 and a small decrease in the \$20. Salesforce had its first sprint demo on September 9, 2024, and UAT will start soon.

5. MARKETING REPORT

- **Director of Marketing, Maura McCann**, presented a performance report for August. Ms. McCann was happy to report that we are well over 100,000 in online ticket sales when we normally see 40 to 60,000 in ticket sales. Marketing is looking forward to the holiday tickets and has been working with retailers to make sure these tickets do well. The holiday tickets come out at the beginning of November. We'll be going with New Hampshire Nick 3.0, and you'll be seeing concepts for that shortly. Mega Millions Jackpot run is performing well, despite some jackpot fatigue this is due to New Hampshire being a Powerball State. August saw 1,700 new players joining iLottery, and with the new advertising for iLottery's 6th Birthday, and the new e-Instant games increasing this number. Ms. McCann and her team are looking forward to year five of sports betting in January. Draft King's is bringing back one of New Hampshire's favorite baseball players, and more information on that will be forthcoming. Ms. McCann reported on a Tri-State update that Ed Flanagan's term limit has come to an end, and we introduced Megan Cicio as the new Commissioner. Ms. Cleland was successful in getting the three states to increase the retailer incentive of up to \$75,000 to be paid on Tri-State jackpot-winning tickets. Ms. McCann also reported that Ms. Cleland was able to get the Pick 3 and Pick 4 rules to include online ticket sales.

6. OPERATIONS UPDATE

- **Chief Operating Officer, Lynda Plante**, presented updates for August and September. Ms. Plante introduced our new CCO, Cooley Arroyo, and new IT Lead, Rick Como, and we had three employee promotions. There are six posted positions, we're currently recruiting for. Two employees will be attending the upcoming CRASE training this month. The Lottery and other agencies are scheduled for a new timekeeping system that will roll out on November 1, 2024. The expanded leased space at 53 Regional Drive to support the Investigations and Compliance Division received approval on August 7, 2024. This space will be available as of October 1, 2024. Ms. Plante shared that the Lottery is working with the Department of Public Works (DPW) for a new server room, HVAC, generator, and roof. The proposed changes for the server room are being reviewed by DoIT, and facilities are preparing for the upcoming construction this month.

7. COMPLIANCE

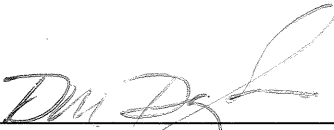
- **Chief Compliance Officer, Cooley Arroyo**, introduced herself to the Commissioners.
- **Director of Investigations and Compliance Division, Valerie King**, presented the Commissioners with an update on the 2024 GOC allocation rental payments for April, May, and June.

- Commissioner Crews proposed a motion to approve the submission of the Bingo Rule (Lot 7000) to OLS for the October 17, 2024, JLCAR meeting, Commissioner Pierce seconded. All are in favor, motion passed 3-0.

8. NEXT MEETING

- Tuesday, October 8, 2024, at 10 a.m. Located at New Hampshire Lottery Headquarters, 14 Integra Drive, Concord, NH, 03301.

The meeting adjourned at 11:10 a.m.



Debra Douglas, Chairman *10/8/24*
Date



Andy Crews, Commissioner *10/8/24*
Date



Erle Pierce, Commissioner *10/8/24*
Date