

New Hampshire Lottery Commission

14 Integra Drive, Concord NH
Minutes of Commission Meeting
November 26, 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
Cooley Arroyo	Tracey Renaud	Jennifer Zackowski
Rick Como		

Others in Attendance:

Seth LaPointe, SGI	Jeff Newman, GYK Antler
Peter Bragdon, Preti Flaherty	Shane Taylor, Aristocrat
Jodi Grimbilas, SGI	Travis York, GYK
Robert Collins, RYP	Jackson Bouley, D&B
Mark Dell'Orfano, New Hampshire Assistant Attorney General	

Chairman Douglas called the meeting to order at 3 p.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas Accepted the Minutes of the October 8, 2024, meeting. Commissioner Crews moved to accept and was seconded by Commissioner Pierce. All are in favor, motion passed 3-0.
- Chairman Douglas Accepted the Non-Public Minutes of the October 8, 2024, meeting. Commissioner Pierce moved to accept and was seconded by Commissioner Crews. All are in favor, motion passed 3-0.
- Chairman Douglas Accepted the Minutes of the November 7, 2024, meeting. Commissioner Pierce moved to accept and was seconded by Commissioner Crews. All are in favor, motion passed 3-0.
- Chairman Douglas Accepted the Non-Public Minutes of the November 7, 2024, meeting. Commissioner Pierce moved to accept and was seconded by Commissioner Crews. All are in favor, 3-0.

2. FINANCIAL REPORTS

- **Chief Financial Officer, James Duris**, presented October 2024, financial summary.
 - Lottery sales for the month of October decreased compared to the same period of the prior year. Instant tickets decreased by \$1.6M compared to the prior year. Powerball decreased by \$6.4M. All other platforms remained relatively flat. YTD Instant tickets revenues are below the prior year by \$11.2M. Powerball and Mega Millions are behind last year by \$18.0M and \$9.0M, respectively. Fast Play revenue has increased \$1.6M for the year. Overall lottery sales have decreased by \$37.6M for the year.
 - Mobile sports betting revenues of \$2.4M was a decrease of \$1.2M compared to the prior year. The handle was \$69.5M for the month, an increase of \$3.7M compared to the prior year. Retail sports betting revenue of \$169K increased by \$19K compared to the prior year. Retail sports betting handle was \$9.8M for the month, a decrease compared to the prior year of \$2.2M. Mobile results are currently \$1.5M over prior year revenues.

- Racing and gaming revenues came in at \$638K, a slight decrease of \$14K compared to the prior year. YTD revenues have decreased by \$135K. Historic horse racing revenues came in at \$1.6M. HHR YTD revenues are \$8.9M, an increase of \$3.9M over the prior year.
- Operating transfers for October results were \$13.4M. This is below projections by \$1.3M. YTD transfers are \$59M compared to \$67.1M in the prior year.
- DOIT expenses came in at \$179K for the month. This is due to CRM development expenses, which were expected. Two new vehicles arrived increasing equipment costs for the month. Rent expense increased due to the additional new space. The Charitable Gaming Study Commission incurred \$79K of consulting expenses that were billed for the month. All other operating expenses came in as expected.
- Commissioner Pierce proposed a motion to approve financials as presented, seconded by Commissioner Crews. All are in favor, motion passed 3-0.

3. SPORTS BETTING

- **Director of Sports Betting, Danny Maloney**, presented the September and October 2024, sports betting summary.
 - September Mobile and Retail Results
 - \$72,763,323 in Handle
 - \$9,259,141 in GGR
 - Hold of 12.73%
 - \$3,998,068 in revenue to the State
 - YoY Bets and Active users (Sep '23 to '24)
 - Increase in mobile bets of 32.55%
 - Decrease in retail bets of 7.87%
 - Increase in active users of 16.4%
 - October Mobile and Retail Results
 - \$79,350,927 in Handle
 - \$5,867,086 in GGR
 - Hold of 7.39%
 - \$2,550,018 in revenue to the State
 - YoY Bets and Active users (Oct '23 to '24)
 - Increase in mobile bets of 12.02%
 - Decrease in retail bets of -4.41%
 - Increase in active users of 11.33%
 - Fiscal '25
 - \$9,787,487 in revenue to the State
 - NH is 3rd in per capita revenue to the State from sports betting
 - Since Inception
 - \$124,542,634 in revenue to the State

4. SALES PRODUCT AND PROGRAM UPDATE

- **Chief Product and Program Officer, KJ Cleland**, presented a report for October. Scratch ticket sales are performing well. The graphs Ms. Cleland presented to the commissioners look different and that's due to the new system with Aristocrat/NPI. The commission agrees that the graphs show a better view of the data. The lack of Jackpot runs shows an impact on FTD numbers. We anticipate high Reg to FTD once iLottery is playable in the app, which will begin in July 2025.

5. MARKETING REPORT

- **Director of Marketing, Maura McCann**, presented a performance report for November's Tri-State update. Gus Fritschie of GLI Gaming laboratories spoke on internet securities. Scott Morasch and Aisling Murphy from IPSOS spoke about the lessons learned from the player experience and the retail store journey. Angele Saviano from Scientific Games and Robin Williams from Pollard spoke on lower price point instant scratch games in today's lottery landscape. Fuse Ideas gave a presentation as well. Ms. McCann reported on iLottery this month, November, and reported there were 1,256 new players. Sports Betting for October had 1,838

new players. Ms. McCann showed the commissioners the soon-to-be-released New Hampshire Nick Christmas commercial. This was filmed at Santa's Village in Jefferson, NH, and we purchased 100 Christmas time passes that were given away on social media.

6. OPERATIONS UPDATE

- **Chief Operating Officer, Lynda Plante**, presented updates for November. Ms. Plante introduced two new employees, Tracey Renaud and Jennifer Zackowski, and Greg Gatton was promoted to Inside Sales Support Specialist. There are currently two positions being recruited for. Two employees attended the CRASE training in October and November. The Lottery and twenty other agencies rolled out the new timekeeping system (Workforce Management) on November 1, 2024. Employees participated in the training, and we completed our first pay period on November 14, 2024. The expanded lease space at 53 Regional Dr to support the Compliance Division is now available to be occupied. Furnishings for this space are currently being located. We've purchased and received two new Subarus in our fleet. One is an approved add to the fleet and one is a replacement for a total of 21 vehicles. The roof and HVAC are now 98% complete. The copy and server rooms are currently undergoing internal work. The pad to hold the generator is being built with an anticipated spring date for the generator installation due to product availability.

7. COMPLIANCE

- **Chief Compliance Officer, Cooley Arroyo**, gave a brief report. Ms. Arroyo presented a short overview of the report that's currently being finished. Ms. Arroyo touched on the GOC HHR revenue for October. This has increased from last year's October. State revenue for GOC was \$620,000. HHR charities were \$1.3 million and \$2.5 million for State revenues in October.

Chairman Douglas asked to entertain a motion to go into a non-public session per RSA 91:A. Commissioner Crews made a motion to go into non-public session, seconded by Commissioner Pierce. All are in favor.

Chairman Douglas asked to entertain a motion to seal the minutes of the non-public meeting. Commissioner Crews made a motion to seal and close the non-public session, seconded by Commissioner Pierce. All are in favor.

Commissioner Crews made a motion for the adoption of the Bingo Rules, seconded by Commissioner Pierce. All are in favor.

- **Director of Investigations and Compliance Division, Valerie King**, asked the commission to approve the adoption of the Bingo Rules.

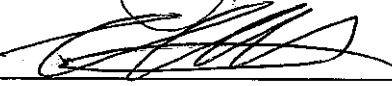
Commissioner Crews made a motion for the adoption of the Bingo Rules, seconded by Commissioner Pierce. All are in favor.

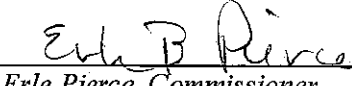
8. NEXT MEETING

- Thursday, January 23, 2025, at 10 a.m. Located at New Hampshire Lottery Headquarters, 14 Integra Drive, Concord, NH, 03301.

The meeting adjourned at 4:22 p.m.


Debra Douglas, Chairman 1/23/25
Date


Andy Crews, Commissioner 1/23/25
Date


Erle Pierce, Commissioner 1/23/25
Date