

New Hampshire Lottery Commission

14 Integra Drive, Concord NH
Minutes of Commission Meeting
October 27, 2022 – 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	James Duris
Amanda Williams	Danny Maloney	John Conforti	Andrea Madden	Christine Robbs

Others in Attendance:

Jackson Boulay, Dennehy and Boulay	Robert Clegg, Boston Billiards	Mike McLaughlin, Arrow
Jodi Grimbilas, SGI	Travis York, GYK Antler	Kyle Baker, Delaware North
Paula Maltman, SGI	Peter Bragdon, CDI	

Chairman Douglas called the meeting to order at 10:02 a.m. Public attendance available in person and via Microsoft Teams Meeting.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas requested a motion to accept the minutes of the September 22, 2022, meeting. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0. Minutes accepted and signed.

2. FINANCIAL REPORTS

- Chief Financial Officer, James Duris, reported on the September financials. Overall, September sales decreased \$7.1 million from the same period last year. Decreases were mainly instant tickets (\$1.5M) and Powerball (\$3.8M). Year to date sales are slightly under the prior year to date and instant tickets are down \$6.0 million over the prior year. However, Mega Millions and iLottery sale are still up for the year.
- Mobile sports betting revenue had a great month coming in at \$3.7 million for the month compared to \$0.9 million the previous year. The handle was \$58.5 million for the month, an increase of \$8.0 million over the prior year. Retail sports betting had a handle of \$19.8 million for the month (an increase of \$2.1 million) with a net loss of \$135,000. Year to date revenues for Mobile are up \$4.1 million and retail year to date revenues are down \$330,000 compared to the prior year.
- Racing and Gaming revenues increased \$88,000 compared to the prior year, the same for year-to-date revenues are slightly higher. Historic Horse Racing (HHR) revenues came in at \$449,000 for the month.
- The transfer for the month of September was \$13.7 million, which is above projections by \$0.3 million. Year to date transfers the Education Trust Fund total \$42.3 million, beathing projects by \$8.4 million.
- Salaries are currently running lower than last year. Retirement benefits have increased this year due to the timing of the benefit holiday. Miscellaneous expense for the month is \$10,000 due to the payment of the building engineers. Mr. Duris indicated we are waiting on approval from the capital budget or next approved budget to move forward with needed roof and other repairs. All other operating expenses are in line with expectations.
- Chairman Douglas requested a motion to accept the financial report. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.

3. SPORTS BETTING

- Director of Sports Betting, Danny Maloney, reported the numbers for the month included \$3,249,389 in revenue to the State which was 2nd highest amount ever (Jan '22), \$7,358,206 in GGR and a hold percentage of 9.40%. The September percentage break downs for sports betting are Handle - 75% mobile and 25% retail: GGR - 95% mobile and -5% retail. New Hampshire mobile results were in line with other sports betting states in the Northeast, but weak retail results brought the overall hold percentage down. The most popular sports for the month with include 55% of bets were on football (NFL and NCAA), with MLB making up another 20%.

4. MARKETING

- Director of Marketing, Maura McCann, noted that the are jackpots are dueling once again. As the jackpot amounts increase, we introduce more and more support to advertise each.
- Several promotions took place this past month including the Go Pats Scratch Ticket at retail, September 16 iLottery one-day Birthday offer, End of Summer Event iLottery promotion, and the Tri-State iLottery Gimme 5 promotion which specifically brought back 1,400 dormant iLottery players.
- Keno Power Hour kicks off in October and November, every Thursday statewide. Keno advertising pieces will be arriving shortly for display at retailer. We are waiting for more substantial numbers of traditional retailers offering the game for sale to turn on TV, radio and social.
- Ms. McCann shared the many avenues that touch public relations including NH Retail Grocers Association Ads, articles in the Business NH Magazine, New York Times, and NH Bar Association newsletter, and paid media. Overall, the August PR value was over \$4 million.
- The new entryway signage was debuted.
- The well-known Lottery Goat will be retiring, and the Lottery will be jumping into the new creative, That's Wild.

5. OPERATIONS

- Chief Operating Officer, Lynda Plante, announced that there are three internal promotions. Andrea Madden is the new Lottery Sales Rep for Manchester, Amanda Williams is the new Sales Support Supervisor (announced last month but in attendance today), and Christine Robbs has moved over to Sales Support. We have two new employees, Mike Brendle who has joined the agency as a part-time Warehouseman and Jimmy Meyers who is our new Field Auditor. Rachel Brayman, Field Auditor, who has been with the agency for over two years, was in attendance. She started during COVID and has been an impactful employee for the Investigation and Compliance department. There are many open positions in which five are currently being recruited for at the agency and two SJD reviews are being conducted for future posting of positions.
- Ms. Plante shared that the two flag poles are up and the three flags (US, NH, and POW) are displayed. The lights are not available due to supply chain issues, so the flags are taken down each day. Eric Prescott, Fleet and Facilities Superintendent, was recognized for his efforts on this project.
- A flu clinic was available this past month at the Lottery Headquarters with 20 employees attending. Ms. Plante also indicated that 28 full-time employees with 10 or more years with the state are being recognized with the state approved longevity bonus. This equates to 40% of full-time staff

6. COMPLIANCE

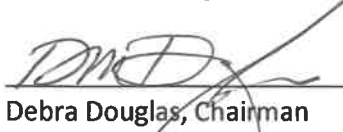
- Valerie King, Director of Investigation & Compliance Division, requested a motion conditional approval of the Proposal for Lot 1100 Rules (Keno at Lottery Retailers). Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.
- Chief Compliance Officer, John Conforti, reported on the progress of HHR applications. There are four establishments open and currently six applications being reviewed.
- Mr. Conforti indicated they have taken on the suitability reviews from the Department of Justice and wished to thank all employees for the efforts in getting two locations up and running this month.

7. OTHER ITEMS

- Chairman Douglas requested a motion to approve the Renewal of the Executive Director. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.

8. NEXT MEETING


The next meeting is scheduled for November 29, 2022, at 10 a.m. at Lottery Headquarters.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner