

TRI-STATE LOTTO COMMISSION

Samoset Resort

Rockland, MA

October 23, 2015

PRESENT: Maine: Orland McPherson, Chair; Gregg Mineo, Executive Director; Michael Boardman, Patricia Rice, Tim Poulin, Lisa Rodrigue
Vermont: Ed Flanagan, Commissioner; Greg Smith, Executive Director, Mary Cassani Sylvia Buzzell, Heidi Quenneville
Mary Stridsberg, Jeff Cavender
New Hampshire: Debra Douglas, Commissioner; Charlie McIntyre, Executive Director; Maura McCann, Kelley-Jaye Rosberg, Cindy Baron
Guests: John Papile, Jeff Lipps with Intralot; Theanna Twitchell, Heather Bowman and Chris Nichols with NL Partners; Carolyn Dennett, Calvin Rinck, Mary Wdowin, Jim Acton and Renee Loring with Scientific Games; Christian Smith with Macpage LLC; Rose Longo-White with GYK Antler; Rhea Velgos and Steve Mason with Fuse Ideas

The meeting was called to order at 9:00 a.m.

ACCEPTANCE OF AUGUST 14, 2015 MINUTES

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan, to accept the August 14, 2015 minutes as distributed. So voted, unanimous.

FINANCE COMMITTEE – Mary Cassani

The audit was completed this summer and Christian Smith from Macpage was present to give the findings of the audit report.

The final outcome of the audit showed that all areas were complete and accurate, and there were no issues.

The finance committee has been asked to review the gift card policy and the investment policy to create written policies for these items going forward. The auditors noted that we have no written policies for handling gift cards as prizes, or for investments. They noted nothing wrong with how these are handled, just that written guidance should be created. We recommend that the Finance Committee prepare draft policies for these two items to present to the board.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan, to accept the audit reports as presented. So voted, unanimous.

September net profit ended higher than forecast by \$781,000, and year to date sales are higher than last year.

MARKETING & PRODUCT DEVELOPMENT – Lisa Rodrigue

The TV spots for the Tri-State Jackpot ticket and Maine's new Joker Mania scratch tickets were shown.

A new logo was chosen for Pick 3 and Pick 4. All of the submissions were looked over closely and the new logo will debut in March 2016.

The Tri-State scratch ticket is doing well in all three states. There is a big second chance drawing coming up for that in July.

The Megabucks @ 30 promotion finished up at the end of September. A 20 week comparison showed that Vermont had an increase in sales of 30.8%, and the residual sales are still above the sales from prior to the promo. New Hampshire had an increase of 28%, and their residual sales are also still up. Maine raised sales by 8.5%, and their residual sales are down by about 4%.

All three states have decided to go ahead and do the "Megabucks Makes Millionaires" ad campaign with Fuse Ideas. The campaign will launch in January of 2016.

The MGM instant ticket is currently being reviewed with MDI. If the decision is to go ahead with the ticket, it will be finalized by the end of December. The launching of the ticket will be in June of 2016.

For the next Tri-State meeting on December 11, there will be three outside speakers joining the meeting to present new ideas on interactive gaming. Jennifer Wellshots from Scientific Games, Robert Tercek from Milestone Entertainment, and Brian Roberts from Jumbo Interactive are the presenters. The start time for this meeting will be determined soon as it will be a longer than a normal meeting.

DRAW COMMITTEE – Maura McCann

It is time for the annual maintenance on the draw equipment. The Draw Committee is requesting \$2,495.00 for the fees associated with this maintenance.

MOTION

Commissioner Flanagan made a motion, seconded by Commissioner Douglas, to expend \$2,495.00 to Smartplay International for annual maintenance on the draw equipment. So voted, unanimous.

SCIENTIFIC GAMES – Calvin Rinck

Sci-Games has nothing to report at this time.

INTRALOT – Jeff Lipps

Intralot worked with Vermont to map out the deliverables for year 2016. These include an agent website earlier in the year and a new Progressive game in the spring.

ACCEPTANCE OF COMMITTEE REPORTS

MOTION

Commissioner Flanagan made a motion, seconded by Commissioner Douglas, to accept the committee reports. So voted, unanimous.

OTHER BUSINESS

The Draw room in New Hampshire needs to be moved and a new space will need to be built. New Hampshire is permanently relocating approx 20 employees to the lottery building requiring a reconfiguration of space. The new draw room will be built to the required standards for security and oversight. Plans are being drafted now but a quote is not available at this time. Initial discussion causes us to believe the cost will fall between \$20,000 - \$30,000. It is requested that an approval be granted now as time does not permit waiting until the next meeting to begin construction.

MOTION

Commissioner Flanagan made a motion, seconded by Commissioner Douglas, to approve the moving and construction of a new draw room not to exceed \$30,000. So voted, unanimous.

MOTION

Commissioner Flanagan made a motion to adjourn at 10:02 a.m., seconded by Commissioner Douglas. So voted, unanimous.



Orland McPherson, Chair