

TRI-STATE COMMISSION
NH Lottery
Concord, NH
March 4, 2016

PRESENT: Maine: Orland McPherson, Chair; Gregg Mineo, Executive Director; Michael Boardman, Lisa Rodrigue
Vermont: Ed Flanagan, Commissioner; Greg Smith, Executive Director; Jeff Cavender, Mary Cassani, Mary Stridsberg
New Hampshire: Debra Douglas, Commissioner; Charlie McIntyre, Executive Director; Katie Brown, Lynda Plante, Emily Whittaker, Cindy Baron, Kelley-Jaye Rosberg, Maura McCann
Guests: Theanna Twitchell with NL Partners, Rose Longo-White with GYK Antler, Kristen Pare', Tom Garcia, Terry Patterson, and Jeff Savage with Intralot, Calvin Rinck, Darrell Frecker, and Jim Acton with Sci-Games.

The meeting was called to order at 10:50 am.

ACCEPTANCE OF DECEMBER 11, 2015 MINUTES

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan, to accept the December 11, 2015 minutes as distributed. So voted, unanimous.

FINANCE COMMITTEE – Mary Cassani

January sales were higher than forecast. The cost of sales was also higher than forecast relative to the sales increase. The net profit was higher than forecast by 1.2M for the Tri-State group, mostly due to the higher sales in Megabucks and lower than expected operating expenses.

YTD sales are higher than last year by approximately 1.5M. Cost of sales is higher and the net profit is higher by \$220K.

Finance Committee is asking to exercise a one-year extension of the MacPage LLC contract, bringing the end date to June 30, 2017. There is one additional one-year extension remaining.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan to approve the one-year extension of the MacPage LLC contract. So voted, unanimous.

The drafts of Investments Policy and Gift Card Policy were discussed as presented. Explanations were provided about how we currently handle these practices and why these policies are needed. The board requested that an RFP be prepared and issued for the Financial Investment services contract.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan to accept the Investment Policy as presented with the removal of the language referencing MUSL and replacing it with Tri-State Commission. So voted, unanimous.

The Gift Card Policy will be discussed further during the next meeting. Some suggestions and edits are necessary in order to move forward on the policy as presented.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan to approve the purchase of an update to the accounting software used by Tri-State. The final cost will be determined during an upcoming meeting with the vendor, but the shared cost should not exceed \$3,000. So voted, unanimous.

A resolution request was made to remove former VT employee Fran McAvoy and add new VT employee Danielle Jensen to the resolution as a check signer.

MARKETING AND PRODUCT DEVELOPMENT – Lisa Rodrigue

The “Megabucks Makes Millionaires” TV spots were shown to the Commission.

The next promotion is the Pick 3 and Pick 4 promo. This promo runs from March 27th through April 9th. The first week will be a Pick 3 promo and the second week will be a Pick 4 promo which will both feature nth wins.

The development committee has had discussions about doing a different Tri-State instant game. The two previous Tri-State tickets did very well, so it is hopeful that a third one will be just as successful.

A discussion ensued regarding what can be done with the Gimme 5 game. The vendors have provided different game changes or new game ideas to the committee for consideration. Increasing the amount of draws to 5 days a week would most likely not do a lot for the game. The committee will evaluate the cost and benefit of making this change; changing to an entirely new game model, and not doing any change at all. These will be reported back at a future meeting.

DRAW COMMITTEE – Maura McCann

The blueprints for the new draw room have been finalized and that is moving ahead as scheduled.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan to exercise the two-year contract extension with Anderson & Cloues, PLLC as our drawing auditors. So voted, unanimous.

SCIENTIFIC GAMES – Darrell Frecker

Sci-Games is working to meet the promo requirements for the Pick 3 and Pick 4 games, as well as on the new Tri-State instant ticket. This is the first time that Sci-Games has had the opportunity to work on two pieces of the Lottery's portfolio at the same time, and they are happy to be doing it.

INTRALOT – Jeff Savage and Kristen Pare'

Jeff Savage:

- In January the financial reports web portal for agents was launched and is doing well.
- Two new Touch Play games hit the market in February.
- In May they are on schedule to launch a new Fast Play Progressive game called Roll em.

Kristen Pare':

- Currently working on the Tri-State Pick 3 and Pick 4 promotions.
- Progressive Fast Play game called Jackpot 7 will be coming out in May.
- Currently working on two new Fast Play games, Wizard of Oz and Yahtzee.
- introduced the new interim GM for Intralot New Hampshire, Tom Garcia.

ACCEPTANCE OF COMMITTEE REPORTS

MOTION

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

OTHER BUSINESS

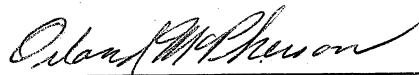
MOTION

Commissioner Douglas made a motion, seconded by Commissioner Flanagan to issue an RFP for legal services for trademark protection. So voted, unanimous.

It is recommended to return to Killington for the June meeting in Vermont. There are a few possible dates and will be decided based on the availability of the Resort.

MOTION

Commissioner Douglas made a motion to adjourn at 12:21 pm. Motion was seconded by Commissioner Flanagan, so voted, unanimous.



Orland McPherson, Chair