

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
March 8, 2017, 9:30 a.m.

Commissioners:

Debra Douglas, Chairman
Paul J. Holloway, Commissioner
David Gelinis, Commissioner

Lottery staff in attendance:

Charles McIntyre	Cindy Baron	Stephen Johnston	Maura McCann	Cammy Nolin
Lynda Plante	Katie Brown	Valerie King	Sudhir Naik	Bob White

Others in attendance:

Rose Longo-White, GYK Antler	Ryan Sahr, Intralot	Teri Blouin, NH DAS
Travis York, GYK Antler	Kristen Paré, Intralot	Mike McLaughlin, Capitol Insights Group
Ashley Spicer, GYK Antler		

Chairman Douglas called the Commission meeting to order at 9:35 a.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Gelinis moved to approve the February 14, 2017 minutes as submitted; seconded by Commissioner Holloway. So voted, unanimous.

2. PUBLIC HEARING:

Chairman Douglas opened the public hearing for Pari 800 relative to the repeal of Greyhound Racing rules. As no parties signed up to speak, Chairman Douglas pronounced oral testimony closed.

3. FINANCIAL:

Chief Financial Officer Cindy Baron reported that the financials for January are closed and reconciliations for February are underway. Referring to her report, Lottery transferred \$5.17M and Racing and Charitable Gaming (RCG) transferred \$302K to the Education Trust Fund on February 17. Year to date, Lottery has transferred \$41.4M against the revenue plan of \$43.7M, for a variance of \$2.3M. Last year at this time, we had a \$4.3M surplus due to the spike in Powerball sales, and Ms. Baron distributed a report illustrating the impact to sales of that \$1.6B jackpot. RCG had a profit of \$302.7K for the month of January; and the year to date transfers to Education total \$1.79M against a revenue plan of \$1.46M, a surplus of \$334K. Ms. Baron noted that during the month of January, \$48K of instant ticket prize liability expired, and \$75K will expire in February.

Commissioner Holloway inquired if we had any winners on our Big Money game, which was reported in a story on WMUR news on Friday. Executive Director McIntyre responded that we did have two winners come forward to claim the \$100,000 top prizes, and one top prize is still unclaimed.

4. INTRALOT:

Director Ryan Sahr reported that Intralot received one hundred jackpot signs a week ago and technicians have already installed half of them. He said that it is going well thanks to the great planning from our team. They have been busy delivering Microlot paper, Megabucks play slips, game stock for Fast Play, and updated Pick 3/Pick 4 slips. New software will be delivered on April 3; testing will follow and should go into production on April 30. This new software will include support for the Gold Castle 3-D enhanced instant ticket. If we choose to launch that game, we would first have to order the scratch tickets and then test over the course of a few days.

5. TRI-STATE:

Marketing Director Maura McCann has no formal report for Tri-State this month, but confirmed that planning is underway for the June meeting in Vermont. There will be a planning session for the meeting next week with the directors from Maine and New Hampshire and a representative from Vermont. The agenda is in draft, and the current plan is to have vendors present in the morning with members breaking into smaller groups in the afternoon. Additional discussion followed reiterating the concerns previously expressed over the Tri-State funds currently managed by the Vermont Lottery as that agency heads for reorganization.

6. ADVERTISING:

Ms. McCann distributed a report of advertising activities for March.

- a. There was a \$1M Mega Millions winner last night from Hampton, purchased at the Hannaford grocery store on Lafayette Road.
- b. As noted, there has been a big push for the \$5 Big Money instant game. This has resulted in over \$150K in sales since Friday, and there was enormous response in the media. At this point, there are about 10,000 tickets left at roughly one hundred retailers.
- c. Ms. McCann referred to the handout which displayed the graphics that have been sent to the retailers for new games. She called attention to the Double-Sided Dollars ticket, the first instant ticket with game play on the back. The ticket recently went on sale, and four days into the game a winner claimed \$100K. Chairman Douglas asked if we advertise jackpots and winners as they happen, and Ms. McCann confirmed that we do post winners on social media and our newsletters.
- d. Travis York of GYK Antler observed that we are fast approaching the fourth quarter of 2017. He complimented the team for coordinating and planning marketing schedules for the year. A meeting next week will focus on aligning and rolling out the fourth quarter marketing and promotions around "gold" games. There has been an overall nice cadence in aligning efforts with game rollout this year.

7. OTHER:

- a. Procedures Administrator Valerie King requested a motion to adopt Pari 1000 Shared Bingo, which was approved by JLCAR at their February 17, 2017 meeting. Commissioner Holloway moved to adopt, and the motion was seconded by Commissioner Gelinis. The motion was unanimous, and Chairman Douglas signed the cover letter that will be filed with the Office of Legislative Services (OLS) to confirm the adoption.
- b. Director McIntyre referred the Commission to the draft of the response prepared for the Fiscal Committee following our recent audit. He explained that there were twelve findings; a few were repeats from last year that are situations out of our control, and the remaining were process issues. The response process is expected to wrap up in May.
- c. Director McIntyre and Director of Sales and Product Development Kelley-Jaye Cleland had a meeting last week with representatives from the New England Patriots. It went well, and the anticipated launch of the next Patriots promotion is August.
- d. Tiny House judging will take place on March 17 at the New Hampshire State Home Show; Chairman Douglas and Maura McCann will attend. The outpouring of community support for the high schools has been phenomenal.
- e. The draft of the Lottery's op-ed piece is under review and will be finalized outside of this meeting for the sake of expediency.

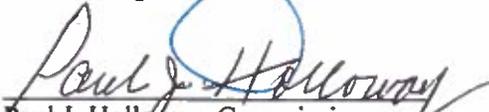
8. NEXT MEETING:

The next meeting will take place on April 19, 2017 at 9:30 a.m.

Chairman Douglas entertained a motion to go into non-public session under chapter 91:A at the request of Commissioner Gelinis, seeking the advice of counsel. Commissioner Holloway so moved, and Commissioner Gelinis seconded. Chairman Douglas sought a roll call and the following members reported: Commissioner Gelinis, Commissioner Holloway, and Chairman Douglas.

The regular meeting adjourned as the commission entered non-public session at 10:30 a.m.



Debra Douglas, Chairman

Paul J. Holloway, Commissioner

David Gelinis, Commissioner

