

TRI-STATE LOTTO COMMISSION
Sheraton Harborside Hotel
November 3, 2017

PRESENT: New Hampshire: Debra Douglas, Commissioner; Charles McIntyre, Executive Director; Maura McCann, Kelley-Jay Cleland, Cam Nolin, Katie Brown
Maine: Orland McPherson, Commissioner; Gregg Mineo, Executive Director; Lisa Rodrigue, Tim Poulin, Michael Boardman
Vermont: Ed Flanagan, Chair; Danny Rachek, Executive Director, Jeff Cavender, Mary Vaupel, Mary Cassani, Sylvia Buzzell
Guests: Calvin Rinck, Sean Athey, Jeremy Kyzer and Renee Loring with Sci-Games; Anna McDonough and Steve Mason with Fuseldeas; Rose Longo-White and Angela Streba with GYK Antler; Kristen Pare', Cara Salvatore and Ryan Sahr with Intralot; Pete Donahue and Amy Warner with Alchemy 3; Chad Dudley from MacPage

The meeting was called to order at 9:00 am.

ACCEPTANCE OF MINUTES FOR AUGUST 11, 2017

MOTION

Commissioner McPherson made a motion, seconded by Commissioner Douglas, to accept the August 11, 2017 minutes as distributed. So voted, unanimous.

FINANCE COMMITTEE – Mary Cassani

Chad Dudley from MacPage presented the audit. There were no findings and it was a good clean audit. MacPage issued the Tri-State Lottery the highest level of assurance available for an audit.

MOTION

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

Sales are ahead of forecast. Net profit is over forecast and prize expense is higher than forecast. Sales are significantly higher (Fast Play was introduced in Maine) while the operating expenses are right on the line. The operating expenses are still below forecast. All contingency funds are in the positive.

The investment policy was reviewed and discussed. There were two changes proposed and accepted. Under Investment Objective the words "fixed income investments" was replaced with "authorized investments"; and under the Types of Authorized Investments "investment grade corporate bonds" was added.

MOTION

Commissioner Douglas made a motion, seconded by Commissioner McPherson, to accept the changes to the investment policy. So voted, unanimous.

MARKETING AND PRODUCT DEVELOPMENT – Jeff Cavender

Jeff gave a review of the June meeting. The development group reviewed the upcoming changes at that time, to the Mega Millions game. The first draw with the changes occurred on October 31st.

The launch of Keno in New Hampshire is progressing with quite a bit of interest from qualified establishments. The Senior Staff has been attending City Council hearings to provide information so that the Legislature is able to make an informed decision about placing it on the public ballot.

The Powerball upcoming change called Winner Take All will go into effect with the April 19, 2018 drawing.

The Powerball PowerCruise 2 promotion will run from April 15, to June 2, 2018.

The following items have been tabled for later discussion:

- Lucky One
- Pick 3, Pick 4 scratch ticket
- All other scratch tickets
- Potential changes to Gimme 5

The development committee reviewed the presentation from the Patriots. The Committee would like to choose some assets from their list and see what kind of package the Patriots can put together for us. There is potential for collect & win presented by Alchemy 3 to tie into this promotion., The progressive jackpot game for all three states is moving forward. Tri-State will issue an RFP for a vendor to develop the mechanism to make this possible. The vendor would not oversee creating the game, just the ability to perform the game.

Mike Ferrant the Director of Security for the Vermont Lottery has left the Lottery. Finding a replacement for his position is currently underway.

The 40th anniversary TV and holiday spots from the Vermont Lottery were shown.

DRAW COMMITTEE – Maura McCann

The new drawing balls for the draw room were ordered. Smart Play inspects these prior to their use and they rejected some of the balls for inconsistent coating.

The new Pick 3 and Pick 4 balls have arrived.

The emergency procedures were updated.

The drawing procedures manual was also updated.

The annual maintenance was performed on all the draw equipment and only a switch needed to be replaced. The switches have a life span of 7 years, and ours has lasted for 30 years.

SCIENTIFIC GAMES – Calvin Rinck

The Gimme 5 game has had a string of recent winners, with the Fast Play games hovering around .10 per cap (for Maine.)

Holiday games in Maine are scheduled to release on November 19th.

INTRALOT – Ryan Sahr

65 installation kits for KENO have been prebuilt with a target of 10-12 installs a day.

42 MP Machines have arrived and will be launching in New Hampshire for KENO.

Intralot started working with IGT on Lotto America with a potential launch date of February 4th, 2018.

Jeff Lipps has left as the General Manager for the Montpelier Intralot office. He has moved to Illinois as a project manager. Karl Fortman is the new General Manager.

Intralot VT completed the new Fast Play Pro game called Green Mountain Jackpot, launching 10/29/17.

All Vermont WinStations are going to be re-skinned.

Intralot Worldwide acquired a new company to help with their Customer Relationship Management software.

ACCEPTANCE OF COMMITTEE REPORTS

MOTION

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


OTHER BUSINESS

The date of the next Tri-State meeting will be on Tuesday, December 19th at 10:00 am in Concord at the New Hampshire Lottery office. If weather or a light agenda becomes an issue, then the ability to hold a conference call is acceptable.

Gregg Mineo proposed having the June meeting at the end of the NASPL meeting at the Westin Harborview on June 14-15 in Portland, ME. The meeting on Thursday will begin later than usual and the meeting on Friday will be longer to accommodate the later start on Thursday. The Commission approved to move forward with the planning.

MOTION

Commissioner McPherson made a motion to adjourn at 10:10 am. Motion was seconded by Commissioner Douglas. So voted, unanimous.


Ed Flanagan, Chair