

## New Hampshire Lottery Commission

14 Integra Drive, Concord NH  
Minutes of Commission Meeting  
September 22, 2022 – 10:00 a.m.

### Commissioners:

Debra Douglas, Chairman  
Andy Crews, Commissioner  
Erle Pierce, Commissioner

### Lottery Staff in Attendance:

Charles McIntyre	Kelley-Jaye Cleland	Lynda Plante	Valerie King	James Duris
Devin Goley	Danny Maloney	John Conforti	Maura McCann	

### Others in Attendance:

Rich Parson, RYP Granite Strategies	Robert Clegg, Boston Billiards	Gia Bonilla, Boston Billiards
Taylor Bengtson, GYK Antler	Travis York, GYK Antler	Molly Tobin, GYK Antler
Paula Maltman, SGI	Peter Bragdon, CDI	

Chairman Douglas called the meeting to order at 10:03 a.m. Public attendance available in person and via Microsoft Teams Meeting.

#### 1. PUBLIC HEARING

- Initial Proposal for Lot 1100 Rules (Keno at Lottery Retailers). Open for public testimony; no oral testimony was presented. Written testimony was provided in favor of the proposed rule.
- Chairman Douglas requested a motion to accept Initial Proposal for Lot 1100 Rules (Keno at Lottery Retailers). Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.

#### 2. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas requested a motion to accept the minutes of the August 23, 2022, meeting. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0. Minutes accepted and signed.

#### 3. FINANCIAL REPORTS

- Chairman Douglas requested a motion to accept the financial report for June 30, 2022. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.
- Chief Financial Officer, James Duris, reported on the August financials. Overall, August sales decreased \$1.3 million from the same period last year. iLottery increased \$1.2 million over the prior year and instant tickets decreased \$1.6 million. All other games held materially steady. Year to date sales are \$6.8 million over the prior year, due to Mega Millions and iLottery sales.
- Mobile sports betting revenue once again nearly doubled coming in at \$1.8 million for the month compared to \$.9 million the previous year. The handle was \$32.9 million for the month, an increase of \$3.3 million. Retail sports betting had a handle of \$10.5 million for the month (an increase of \$3.7 million) and \$319,000 in net income.
- Racing and Gaming revenues decreased slightly compared to the prior year, the same for year-to-date revenues. Historic Horse Racing (HHR) revenues came in at \$407,000 for the month.
- The transfer for the month of August was \$9.9 million, which is below projections by \$.3 million. All operating expenses are in line with expectations.

#### **4. SPORTS BETTING**

- Director of Sports Betting, Danny Maloney, reported that this has been a strong month with \$1.9 million in revenue to the state at a hold percentage of 9.68%. The August percentage break downs for sports betting are Handle - 76% mobile and 24% retail; GGR - 91% mobile and 9% retail. New Hampshire is slightly lower compared to other Northeastern states due to high winnings paid out to retail players. The most popular sports for the month were baseball (nearly 50%) with tennis and soccer making up another 25%.

#### **5. SALES AND PRODUCT DEVELOPMENT**

- Chief Product and Program Officer, Kelley-Jaye Cleland, provided an overview of August. iLottery is down 8% for the month due in large part to the cyber-attack. The Lottery brought the site down for approximately two days, but some players could not access it for longer due to additional safeguards added by their providers. Those players that had autorenewal continued to participate in the drawings through this platform. Other players purchased tickets at retail but rebounded back to iLottery quickly. However, sales are up 220% from where we should be due to the jackpot runs during the month of August.
- Ms. Cleland recognized the efforts of Lottery staff and vendors during the cyber-attack. Internal folks and vendors all came together with an impressive response time.
- Fast Play sales are down 8% over last year. A new Fast Play game is launching this week and two additional games are being worked on. Commissioner Crews asked if the decrease in sales is due to not having new games or economic impact? Director McIntyre replied the decrease is across many Fast Play states.
- Ms. Cleland indicated that scratch tickets sales remain flat. The Lottery will be launching the Price is Right ticket as well as some of the best yet holiday games.
- Keno at retail is now at 12 locations with five applications pending and over 43 in process. The goal for FY23 is 450 retailers and over \$58 million in total sales. Ms. Cleland advised the trend is 12% below the weekly selling average, but up 1% from last month.
- Ms. Cleland shared that My603Rewards app is up to 15,000 members which is an 8% increase from last month.

#### **6. 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.

**7. OPERATIONS**

- Chief Operating Officer, Lynda Plante, announced that there are three internal promotions. Jennifer Rouse is the new Sales and Retailer Relations Manager, Amanda Williams is the new Sales Support Supervisor, and Devin Goley has moved over to Retailer Licensing as a Program Assistant II. There are many open positions in which five are currently being recruited for at the agency and three SJD reviews are being conducted for future posting of positions.
- Ms. Plante shared that vendors have been secured to add the US, NH, and POW flags to the grounds.
- A one-hour AED training was offered this past month at the Headquarters with ten employees attending.

**8. COMPLIANCE**

- Chief Compliance Officer, John Conforti, reported on the progress of HHR applications. There are presently seven applications (two re-statements, two close, and three new). There has been significant progress on those applications, and Mr. Conforti expects to have more rooms open in the next few months.
- Mr. Conforti indicated further analysis on the cyber-attack is being conducted by our contracted vendor and a formal report will be provided by next month.
- Chairman Douglas requested a motion to approve the Proposal for Lot 1100 Rules (Keno at Lottery Retailers) if there are no changes to the final proposal. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.

**9. NEXT MEETING**

The next meeting is scheduled for October 27, 2022, at 10 a.m. at Lottery Headquarters.

Motion by Chairman Douglas to go into non-public session per 91-A to discuss confidential HHR applications. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.

Motion to adjourn out of Executive Session with no action items at 11:47 a.m. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0.



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Debra Douglas, Chairman



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Andy Crews, Commissioner



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Erle Pierce, Commissioner