

LOUISIANA LOTTERY CORPORATION BOARD OF DIRECTORS MEETING

June 27, 2025

Chairman Mickey Parenton called the meeting to order at 10:00 a.m. in the Board of Directors Conference Room located at the Louisiana Lottery Corporation Headquarters, 555 Laurel Street, Baton Rouge, Louisiana.

I. Attendance

- A. **Members Present:** Chairman Mickey Parenton; Directors: Sheridan Shamburg, Anna Jones, Whalen Gibbs, TomEd Brumfield, Dan “Blade” Morrish, Carmen Jones, Michael Raymond, and Louisiana Deputy State Treasurer Rachel Kincaid.
- B. **Members Absent:** Director: Gail McKay
- C. **Staff Present:** President/CEO, Rose Hudson, Senior Vice President/General Counsel, John Carruth, Senior VP, Secretary/Treasurer Karen Fournet, Vice President of Finance/Controller, James Goodrum.

II. Pledge of Allegiance

Chairman Mickey Parenton asked Rose Hudson to lead the Board of Directors and all attendees in our Pledge of Allegiance.

III. Approval of the Minutes of Prior Board Meeting

Chairman Parenton began by asking if anyone had any questions or corrections to the minutes of the April 25, 2025, Board Meeting. Director Gibbs **moved** to approve April 25, 2025; Board Meeting Minutes and Director Morrish **seconded** the motion. There being no objection, the minutes were **approved**. The meeting was then turned over to President Rose Hudson for the President’s Report.

IV. President’s Report

Ms. Hudson began by congratulating board members Mickey Parenton and Michael Raymond on recently being confirmed by the Legislature.

Ms. Hudson began with an update on the two pieces of legislation that would affect the Lottery. The iLottery bill to allow for internet sales was voluntarily withdrawn by the bill’s sponsor Rep. LaFleur who then introduced House Resolution 217 to study the financial impact and other factors for operating iLottery in Louisiana. This action serves to further the effort by getting legislators familiar with the concept and providing some traction for the future. Ms. Hudson said staff would be available to answer questions and provide background information during hearings associated with the resolution. She is pleased that we are light years ahead of where we were three years ago with regards to conversations, interest and acceptance from legislators on iLottery.

Ms. Hudson spoke about Senate Resolution 192 by Sen. Reese, which calls for studying new technology advancements employed in Lottery transactions to ensure they are in line with the Lottery's statute. Ms. Hudson had conversations with the resolution's author and indicated the legislation is the result of concerns from some retailers regarding the in-lane ticket solution offered by our vendor Lazlo. Ms. Hudson explained that this was the result of retailers not understanding that the technology is not proprietary to Walmart but available to all retailers. Ms. Hudson assured Sen. Reese of the technology's conformance to Lottery law and will provide that information during the resolution's hearing.

Ms. Hudson said the latest in-lane technology still needs a few modifications before being ready to submit to MUSL for approval to sell Powerball and Mega Millions tickets, but we are getting really close. Lottery training at Walmart Supercenters is taking place starting the week of July 28.

Ms. Hudson followed up on the current state of the Texas Lottery operations. The Texas governor has signed the bill that did away with the actual Texas Lottery Commission. Lottery sales are continuing as a state agency function with a \$100 limit per transaction, and the tickets must be sold in store. The bill was very clear that they are no longer allowing online courier sales for tickets.

Ms. Hudson recognized the Director of Communications Kimberly Chopin who will retire next month after 22 years in public relations, marketing/communications at the Lottery. Ms. Hudson announced the Lottery has hired Chrislyn Maher, who has communications experience at Our Lady of the Lake, as her replacement.

The meeting was turned over to Senior VP, Secretary/Treasurer Karen Fournet.

Mrs. Fournet began by analyzing total sales through the end of June for the last five fiscal years. Sales are projected to reach \$580.9 million by the end of the fiscal year, about \$59.2 million below last year at this time but still higher than pre-COVID. She noted that the decline is attributed to lower sales of the Lottery's jackpot games projected at \$114 million, versus \$171 million last year, as jackpot fatigue and a dearth of high jackpots stall sales. Mrs. Fournet emphasized, this year we have had only one multistate game jackpot above \$1 billion, while in 2024 there were five. This is resulting in a combined deficit of \$53 million for Powerball and Mega Millions compared to last year. This phenomenon has been compounded by jackpots being hit at lower levels with very minimal coverage, which Mrs. Fournet described as an anomaly.

Mrs. Fournet mentioned Mega Millions moved from a \$2 price point to a \$5 price in April with larger starting jackpots and faster growing jackpots. The game consortium hopes this will help increase sales, but the jury is still out on whether the change is moving the needle.

Mrs. Fournet presented the daily numbers games sales of \$136.2 million are running \$5.6 million lower than last year as payouts have been statistically lower than the 50% average. This has hurt game participation slightly. Mrs. Fournet emphasized the importance of daily games in our product portfolio as sales remain strong and more

predictable than jackpot games; they also provide a more profitable payout to balance the growth in scratch-offs, which offer a higher payout.

Mrs. Fournet stated that while the Lottery cannot control the random nature of record jackpots, the Lottery can and is maximizing scratch-off game sales. The Lottery instant-win game sales at \$331 million are running \$4 million above last year thanks to scratch-off game sales, which are at higher levels than pre-COVID. Scratch-offs sales have increased due to the implementation of prize structure optimization among price points and prize tiers as a result of our Vinformatix data analytics partnership. Mrs. Fournet stated that the efforts have resulted in an additional \$90 million in revenue since June 2019!

Mrs. Fournet compared the general and administrative expenses to budget for the fiscal year ending 6/30/25 which is about \$1.7 million under budget, as the Lottery controls expenses.

Mrs. Fournet ended her presentation reporting that transfers to the state treasury through the end of June are projected at \$182 million, which is \$12.1 million less than budget due to decreased sales of multistate jackpot games.

V. Other Business

Chairman Parenton announced that officers needed to be elected for the Louisiana Lottery Corporation Board of Directors for the upcoming fiscal year.

Director Morrish nominated Director Anna Jones for the position of Vice Chairman of the Board. Director Shamburg seconded the nomination. There being no objections, Anna Jones was **elected** as Vice Chairman of the Board of Directors for the Louisiana Lottery Corporation.

Director Shamburg nominated Director Dan “Blade” Morrish for the position of Secretary of the Board. Director Brumfield seconded the nomination. There being no objections, Dan “Blade” Morrish was **elected** as Secretary of the Board of Directors for the Louisiana Lottery Corporation.

VI. Executive Session to Discuss the Performance of the President

Chairman Parenton asked for a motion to go into Executive Session to discuss the performance evaluation of the president. Director Morrish made the **motion** and Director Anna Jones **seconded** the motion. There being no objection, the motion was **approved**, and the Board of Directors went into Executive Session at 10:30 a.m.

*Director Morrish made a **motion** to increase President Rose Hudson’s salary by 6 percent (6%) effective as of July 1, 2025. Director Shamburg **seconded** the motion. There being no objection, the motion was unanimously **approved**.*

There being no further business, Chairman Parenton asked for a motion to adjourn the Executive Session. Director Anna Jones made a motion and Director Shamburg seconded. With there being no objection, the Executive Session was adjourned at 11:00 a.m.

After adjourning from the Executive Session, Chairman Parenton called the regular meeting of the Board of Directors back to order at 11:00 a.m.

VII. Announcements

The next meeting of the Louisiana Lottery Board of Directors is scheduled for Friday, August 22, 2025, at the Louisiana Lottery Headquarters, 555 Laurel Street, Baton Rouge, LA 70801.

VIII. Adjournment

There being no further business, Chairman Parenton asked for a motion to adjourn. Director Anna Jones made a motion and Director Morrish seconded. With there being no objection, the meeting was adjourned at 11:15 a.m.

Date Approved: August 22, 2025

Adene Schroeder
Adene Schroeder
Executive Administrative Assistant

Dan "Blade" Morrish
Dan "Blade" Morrish
Secretary to the Board of Directors

Mickey Parenton
Mickey Parenton
Chairman of the Board of Directors