

**LOUISIANA LOTTERY CORPORATION
BOARD OF DIRECTORS MEETING**

August 23, 2024

Chairperson Whalen Gibbs 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:** Chairperson Whalen Gibbs; Directors: Sheridan Shamburg, TomEd Brumfield, Carmen Jones, Anna Jones, Gail McKay, Mickey Parenton, and Louisiana Deputy State Treasurer Renee Free.
- B. **Members Absent:** Directors: Dan “Blade” Morrish, Cynthia Hedge-Morrell
- C. **Staff Present:** President/CEO, Rose Hudson, Senior Vice President/Secretary/Treasurer, Karen Fournet, Senior Vice President/General Counsel, John Carruth.

II. Pledge of Allegiance

Chairperson Whalen Gibbs 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

Chairperson Gibbs began by asking if anyone had any questions or corrections to the minutes of the June 28, 2024, Board Meeting. Director Brumfield **moved** to approve the June 28, 2024, Board Meeting Minutes and Director Shamburg **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 welcoming Dawn Himel from the Louisiana Attorney General’s Office, and Mickey Parenton to the board and thanking him for agreeing to serve.

Ms. Hudson updated the board that the Lottery had committed to participating in the Jackpot USA multistate progressive jackpot Fast Play game but has paused the launch due to unresolved questions from the game group. The Lottery continues to participate in the game group meetings and hopes to have these questions answered. The Lottery may reconsider launching the new game in late spring 2025 after the Mega Millions relaunch is complete.

Ms. Hudson announced that the Lottery is moving forward with plans to launch a new \$5 version of the Mega Millions game on April 5, 2025. Changes to the game include raising the ticket price

from \$2 to \$5, increasing the highest multiplier from 5X to 10X, and adjusting the matrix. The new \$5 tickets will automatically include the Multiplier feature, while the odds of winning the jackpot will be lowered slightly. Ms. Hudson mentioned that the Lottery has work to do to communicate the game's changes to players, our customers.

Ms. Hudson then updated the board on the roll out regarding Lottery sales at Walmart Fuel Center and Neighborhood Market locations in 56 locations across the state. She said that all locations are now selling Lottery tickets with no issues. Ms. Hudson mentioned the Lottery is working with a gaming vendor on another project to implement in-lane game sales in Walmart. This project is ongoing, and she will keep the board informed on its development.

Ms. Hudson informed the board that copies of the Lottery's marketing and communications dashboard for the fourth quarter of fiscal year 2024 were uploaded to the online board portal. This report provides a snapshot of the Lottery's communications and marketing activities and performance for both board members as well as Lottery staff.

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

Mrs. Fournet began with a summary of the year end results for the fiscal year 2024. The Lottery ended the fiscal year with \$640 million in sales, which is the second-highest total in the history of the corporation.

Instant-win games were the top revenue generator in the Lottery's portfolio, amounting to \$327 million and representing 51% of total sales. Instant sales were down about \$11 million, primarily due to economic pressures on discretionary income. The Lottery engaged working with a Data analytics firm, Vinformatix, to optimize its prize structures by price point to maximize sales. The Lottery's jackpot games sales, Easy 5, Lotto, Mega Millions and Powerball were the second highest, ending at approximately \$171 million which was \$5 million lower than last year due to jackpot fatigue. It is taking larger jackpots to maintain the same level of sales. The Lottery's daily "Pick" games were up over last year, generating approximately \$141.7 million in sales and ranking as the second-highest total in Lottery history. Mrs. Fournet noted that draw-style game sales are very important for the Lottery's ability to fund higher payouts on instant-win games, as their payout averages 50%.

Mrs. Fournet mentioned general and administrative expenses through the end of fiscal year 2024 were \$1.1 million under budget at \$21.7 million.

Mrs. Fournet stated that transfers to the state treasury for fiscal year 2024 were at \$204.8 million, which was \$13.3 million better than budget. With a transfer percentage of 31.87%, this was our third-highest transfer total in the Lottery's history.

Lastly, Mrs. Fournet ended her presentation by reporting that fiscal year 2025 sales to end August were \$93.4 million, down \$28.3 million from last year due to a lack of larger jackpots during the start of the current fiscal year.

V. Other Business

The floor was turned over to Lottery Vice President of Finance, Jimmy Goodrum, who presented a resolution concerning the Lottery's retirement plans that would allow employees to withdraw up to \$1,000 a year from their retirement account for emergency purposes in accordance with SECURE Act 2.0. Director A. Jones made a **motion** to approve, and Director Shamburg **seconded** the motion. There being no objections, the resolution was **approved** and passed.


VI. Announcements

The next meeting of the Louisiana Lottery Board of Directors is scheduled for Friday, November 1, 2024, at the Louisiana Lottery Headquarters, 555 Laurel Street, Baton Rouge, LA 70801.

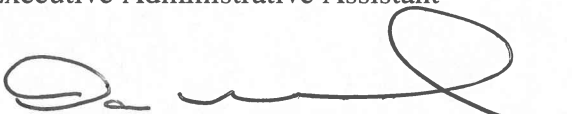
VII. Adjournment

There being no further business, Chairman Gibbs invited a **motion** to adjourn the meeting. Director Brumfield made a **motion** to adjourn the meeting and Director Shamburg **seconded** the motion. There being no objection, the motion was **approved**, and Chairperson Gibbs adjourned the meeting at 10:22 a.m.

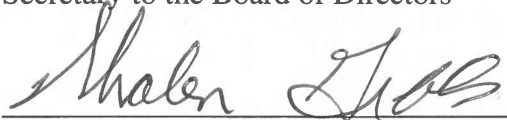
Date Approved: 11/01/2024



Adene Schroeder
Executive Administrative Assistant



Dan "Blade" Morrish
Secretary to the Board of Directors



Whalen Gibbs
Chairperson of the Board of Directors