

LOUISIANA LOTTERY CORPORATION
BOARD OF DIRECTORS MEETING
April 20, 2012

Chairman Verge Ausberry, Jr. called the meeting to order at 10:10 a.m. in the Board Conference Room located at the Louisiana Lottery Corporation Headquarters, 555 Laurel Street, Baton Rouge, Louisiana.

I. Attendance

- A. Members Present:** Chairman Verge Ausberry, Vice Chairman John Fitzpatrick, and Secretary Kim Carver, Directors: Roy Robichaux, J.T. Taylor, Heather Doss and Lisa Reardon.
- B. Members Absent:** Darrell McCartney and Ron Henson.
- C. Staff:** President/CEO, Rose Hudson, Senior Vice President/Secretary/Treasurer, Karen Fournet and Senior Vice President/General Counsel, John Carruth.

II. Approval of the Minutes of Prior Board Meetings

Director Robichaux **moved** to approve the February 10, 2012, Board meeting minutes. Director Fitzpatrick **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.

III. President's Report

President Hudson began by introducing her new executive assistant, Wendy Reeves, and welcoming her to the lottery staff. Ms. Hudson announced that the Lottery extended an offer for the Vice President of Sales position; the candidate has accepted and will be revealed after the background check is complete. Ms. Hudson thanked Robin Schooling, Vice President of Human Resources, for helping with the process.

Ms. Hudson briefly discussed the budget meeting at the capitol to approve the lottery's budget. The budget was approved, absent merit raises. She also gave a brief explanation of Senate Bill 448 and 652, and stated that she would keep the Board updated on their progress.

Ms. Hudson gave an update on the status of the Lottery's strategic planning process, announcing that the Innovation Station idea was introduced to employees the week of April 16. An internal video entitled "Living It Up!" was played for the Board. She also mentioned the Lottery's partnership with the Hornets and that Bonny Botts, Vice President of Marketing, came up with the idea of using Crystal Hot Sauce on a Lottery instant ticket. Ms. Hudson played another video for the Board entitled "How They're Made", which showcased how Crystal Hot Sauce is made and how the Lottery's instant tickets are made.

Ms. Hudson then turned the floor over to Sr. Vice President & Secretary-Treasurer, Karen Fournet to present the financial report Power Point presentation (hard copy attached). Ms. Fournet briefly discussed the weekly sales trends and the world-record \$656 million Mega Millions jackpot. Ms. Fournet gave a summary of the Powerball sales and the Mega Millions sales and she also noted that instant sales are doing great and continue to set records. Ms. Fournet also mentioned that state transfers for the first 10 months of the fiscal year are projected to total \$126.3 million.

IV. Board Committee Reports

Retirement Investment Committee – Vice Chairman Fitzpatrick gave a brief report on the Retirement Investment Committee held April 20, 2012, at 8:30 a.m., wherein the Committee explored options to benefit employees. He further mentioned that one option was approved by the Committee to allow alternative investment options which gives employees lower fees on the handling of their investments.

Finance Committee - Vice Chairman Fitzpatrick gave a brief report on the Finance Committee meeting held April 20, 2012, at 9:15 a.m., wherein a representative from JPMorgan Chase gave a positive review of the Lottery's investments. Vice Chairman Fitzpatrick further stated that the Finance Committee is very confident in the way JPMorgan Chase is handling the Lottery's investments.

Personnel Committee - No report at this time.

By-Laws Committee - No report at this time.

V. Other Business

Chairman Ausberry asked for a motion to approve a one-year extension of The Graham Group Advertising and Media Placement Services Contract at the same rate. Director Carver so **moved** and Director Robichaux **seconded** the motion. There being no objection, the motion was **approved**.

Chairman Ausberry thanked the Lottery staff for their hard work and dedication. He also congratulated Ms. Hudson on her recent induction into the Nicholls State University's Louisiana Center for Women in Government Hall of Fame.

VI. Adjournment

The next meeting of the Board of Directors was set for June 22, 2012, to be held in the Board of Directors conference room of the Louisiana Lottery Corporation Headquarters located at 555 Laurel Street, Baton Rouge, Louisiana. There being no further business, Chairman Ausberry invited a motion to adjourn the meeting; Vice-Chairman Fitzpatrick **moved**; Director Reardon **seconded**. There being no objection, the motion **carried** and Chairman Ausberry adjourned the meeting at 11:02 a.m.

Date Approved: June 22, 2012.

Stephanie Fonte
Stephanie Fonte

Executive Administrative Assistant

Kim Carver
Kim Carver

Secretary to the Board of Directors

Verge Ausberry, Jr.
Verge Ausberry, Jr.

Chairman of the Board of Directors

Attachment(s): (1) Hard Copy Financial PowerPoint Presentation