

**LOUISIANA LOTTERY CORPORATION  
BOARD OF DIRECTORS MEETING**

**April 26, 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, Thomas Brumfield, Dan Morrish, Anna Jones, and Louisiana State Department of Treasury Executive Counsel Karen Loftin
- B. Members Absent:** Directors: Cynthia Hedge-Morrell, Carmen Jones
- 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 Gibbs asked President 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 February 9, 2024, Board Meeting. There being no objections or changes, the minutes were **approved**.

The meeting was then turned over to President Hudson for the President's Report.

**IV. President's Report**

Ms. Hudson began by welcoming Karen Loftin, Executive Counsel, from the Louisiana Department of the Treasury to the meeting and congratulating board member Anna Jones on being reappointed to serve on the board.

Ms. Hudson updated the board that the project to refresh the Lottery's Headquarters building is just about finished, except for some punch list items.

Ms. Hudson gave updates on bills being heard in the current legislative session pertaining to the Lottery, including SB196, SB176, SB348 and SB462.

SB196 by Senator Blake Miguez would require the Louisiana Department of Children and Family Services to develop a data-matching program with federal, state, and local agencies to

confirm the eligibility of participants in the Supplemental Nutrition Assistance Program. Under the bill, the Lottery would report players who win \$3,000 or more to DCFS.

SB176 by Senator William Wheat, Jr directs the Lottery to develop and sell three separate scratch-off games, with proceeds from each dedicated to veterans, senior citizens, and persons with special needs.

SB348 by Senator William Wheat, Jr is a companion bill to SB176 that involves putting a constitutional amendment up for a vote to allow the funding to be directed to these groups.

To date, these three bills have not been heard in committee.

SB462 by Senator Valarie Hodges allows the Governor of Louisiana to select the chairperson of each board and commission in the state. Ms. Hudson noted the Governor must make his selections by Aug. 1 under the bill, and she will let the board know if it passes so they know whether board officer elections need to take place during the June 2024 meeting. The bill recently passed out of the Committee on Senate and Governmental Affairs and is scheduled to be heard next on the Senate floor.

Ms. Hudson updated the board regarding a symposium at Walmart Headquarters in Arkansas to discuss how the corporation is handling their lottery business. The Lottery has been working with a lottery technology vendor, Lazlo, on a project to implement in-lane game sales in Walmart using their own POS devices and paper. Ms. Hudson noted significant progress has been made, however, there are still concerns about game security that are being worked through. The Lottery is speaking with the Multi-State Lottery Association and Intralot on those concerns. Ms. Hudson said she is very excited about the project and will keep the board up to date.

Ms. Hudson reminded board members of the May 15 deadline to turn in financial disclosure forms to the Louisiana Board of Ethics.

The meeting was then turned over to Senior VP, Secretary/Treasurer Karen Fournet. Mrs. Fournet presentation began with an analysis of total sales through the end of April for the last five fiscal years and the growth the Lottery has experienced. Projected sales through the end of April to be at \$544.6 million. This is down \$8.5 million from the same time last year, with the results showing a gain of \$146.3 million from the beginning of the pandemic and represent the second highest fiscal year start in the 32- year history of the Lottery, with fiscal year ending June 2023 being the highest. Mrs. Fournet made note that the Lottery's daily games are performing very well and are experiencing their highest sales totals in corporation history at \$118.5 million through the end of April. Mrs. Fournet mentioned the importance of daily number game sales and their effect, as their payout averages only 50% compared to higher instant-win games payouts. Players are experiencing jackpot fatigue, stating even with five billion-dollar jackpots this fiscal year, combined Mega Millions and Powerball sales are projected to be down \$3 million from last year. Mrs. Fournet stated the volatility of sales, and their unpredictability of jackpots make budgeting and projecting sales more difficult. Mrs. Fournet compared the Lottery's major product lines and their actual fiscal year 2024 sales to budget for the 10 months ending April 30, 2024, noting while instant-win sales are down slightly, sales for the Lottery's daily numbers and jackpot game product lines are up when compared to budget, with a substantial \$33.7 million difference in sales for the Lottery's

jackpot games. Mrs. Fournet mentioned the Lottery's sales of instant-win games are running \$100,000 under budget as the daily numbers game sales are \$5.8 million over budget with a grand total of \$41.1 million better than budget. The general and administrative expenses through the end of March were running approximately \$1 million under budget at \$16.1 million. Mrs. Fournet concluded her presentation reporting the projected transfers to the state Treasury at the end of April projected at \$170.6 million, \$12.6 million better than budget.

The floor was turned over to Ms. Hudson, who introduced Jeremy Gathe from the Louisiana Attorney General's Office assigned to work with the Lottery and thanked him for his attendance.

Ms. Hudson informed the board of the World Lottery Summit being held in Paris, France October 21 to October 24, 2024, and asked if they were interested in attending, they let her know.

**V. Board Committee Reports**

There were no committee reports.

**VI. Announcements**

*The next meeting of the Louisiana Lottery Board of Directors is scheduled for Friday, June 28, 2024, to be held in the Board of Directors Conference Room of the Louisiana Lottery Corporation Headquarters located at 555 Laurel Street, Baton Rouge, Louisiana.*

**VII. Adjournment**

There being no further business, Chairperson Gibbs adjourned the meeting at 10:23 a.m.

Date Approved: 06/28/2024

  
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Adene Schroeder  
Executive Administrative Assistant

  
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Cynthia Hedges-Morrell  
Secretary to the Board of Directors

  
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Whalen Gibbs  
Chairperson of the Board of Directors