



Over \$2 Billion and Counting for our Schools

New Hampshire Lottery Commission

Revenue Update

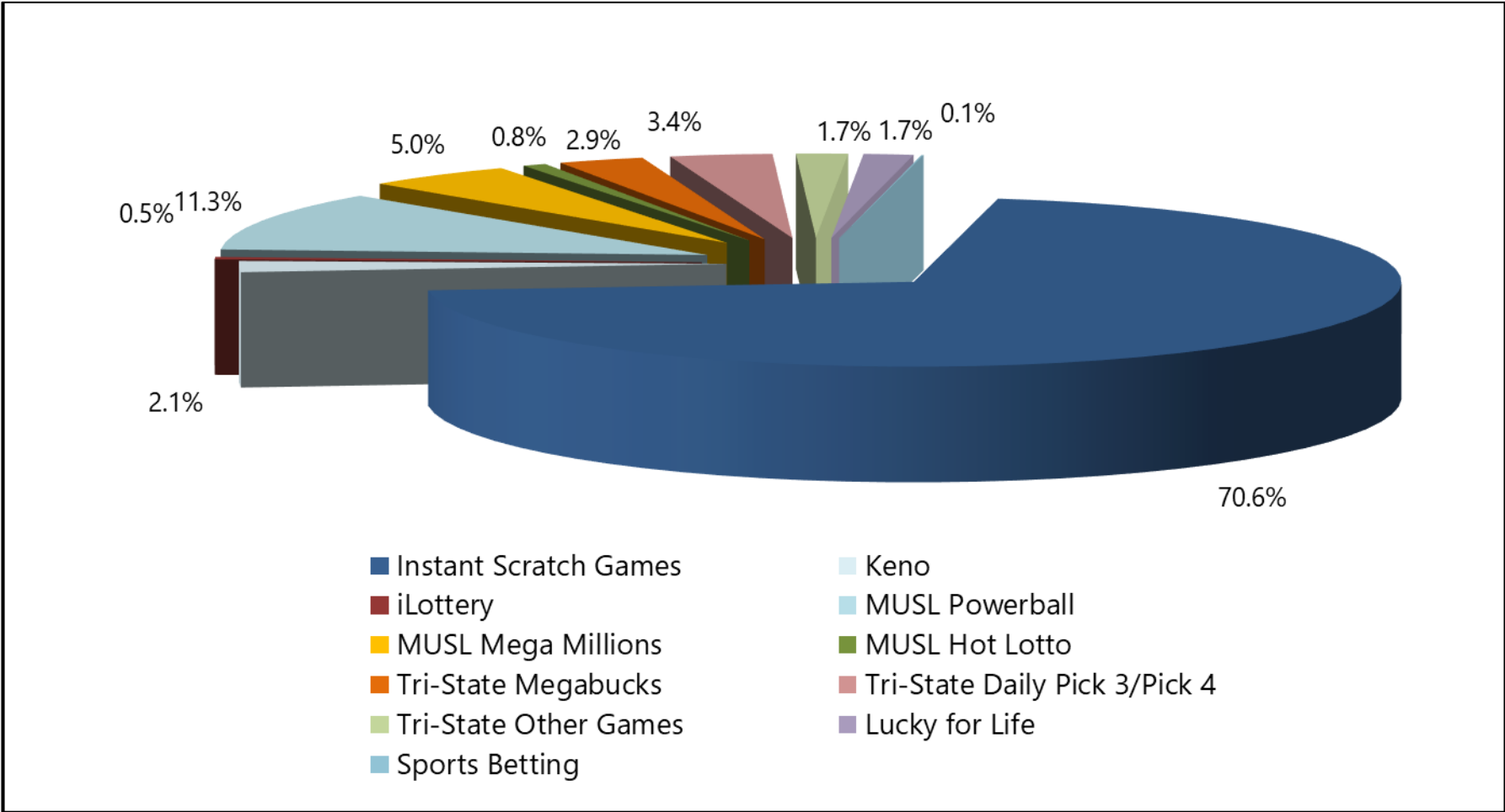
Executive Director Charlie McIntyre/ CFO Jim Duris

Revenue Sources

- **Jackpot Games** (Powerball, Mega Millions, Megabucks) All have been sold for a number of years, dependent on large jackpots for significant revenue which leads to erratic revenue projections: \$21.5 MM (+ \$2.4 MM)
- **Tri State Games** (Pick 3, Pick 4, Gimme 5, Fast Play) Games shared with VT and ME, very dependable revenues all have been sold for years: \$9.7 MM
- **Keno** Monitor game sold exclusively in bars, approved in June of 2018 and launched in Dec. 2018, had been enjoying tremendous growth pre-Covid. This FY sales are accelerating \$7.75 (+ \$.25 MM)
- **Lucky For Life** Multi State game launched in 2012 with a fixed top prize at \$1,000 a day for life: \$1.6 MM
- **Instant Tickets** Scratch Tickets sold at retail, responsible for the bulk of the lottery's revenues, have been available for many years: \$53 MM (+\$1 M)
- **Mobile/Internet** Approved in 2018, commenced FY19. The fastest growth of Lottery's revenues \$13MM (+\$3MM)
- **Sports Betting** Approved in 2019, launched in FY 20. Partner with DraftKings selling over the internet and 2 retail locations in state. Planning for a parlay wagering product at retail in March 2021. \$11 MM (+\$3.5 MM)
- **Charitable Gaming** The lottery absorbed the prior functions of the Racing and Charitable Gaming Commission Fiscal Year 2016. The function in this area is more regulatory than revenue generation. \$3 MM

- Updated Revenue Estimate for Fiscal Year 2021 : \$120.55 Million
- Updated Revenue Estimate for Fiscal Years 2022/2023: \$125 Million / \$127.5 Million

Sales by Game Last 10 Fiscal Years



Revenues, Expenses, and Changes in Net Position Last 10 Fiscal Years

Revenues (in thousands)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instant Scratch Games	\$ 161,378	\$ 176,912	\$ 192,475	\$ 195,293	\$ 208,938	\$ 218,037	\$ 223,368	\$ 238,867	\$ 250,477	\$ 272,265
Keno	-	-	-	-	-	-	-	8,357	26,959	28,988
MUSL Powerball	26,537	33,022	46,160	35,034	28,669	42,546	32,446	36,780	37,618	23,913
MUSL Mega Millions	11,601	14,986	8,765	13,499	12,533	11,265	11,287	16,948	31,611	17,495
MUSL Hot Lotto	3,698	3,183	3,168	3,160	3,697	2,699	2,749	1,322	-	-
Tri-State Megabucks	10,537	9,459	9,177	8,105	7,432	7,838	7,645	8,740	9,359	8,087
Tri-State Daily Pick 3/Pick 4	10,380	10,310	9,933	9,855	9,968	10,333	10,809	10,384	10,254	10,499
Tri-State Other Games	4,734	3,499	1,833	4,304	4,623	5,329	5,531	5,909	7,969	8,115
Lucky for Life	-	3,289	7,826	6,361	5,272	5,295	5,319	5,445	5,607	5,539
iLottery	-	-	-	-	-	-	-	-	4,513	10,733
Racing & Charitable Gaming	-	-	-	-	-	5,038	4,892	5,010	5,996	4,426
Sports Betting	-	-	-	-	-	-	-	-	-	2,158
Income Other than Ticket Sales	353	1,200	1,132	375	1,850	188	275	134	675	432
Total Sales and Other Revenue ²	\$ 229,218	\$ 255,860	\$ 280,469	\$ 275,986	\$ 282,982	\$ 308,568	\$ 304,321	\$ 337,895	\$ 391,038	\$ 392,651
Operating Expenses										
Prizes	139,262	158,887	173,357	171,846	176,415	192,963	191,778	211,534	240,812	246,878
Retailer Commissions & Incentives	12,925	14,832	16,626	15,823	16,256	18,057	17,204	19,909	23,468	23,083
Other Costs of Sales	6,758	7,071	7,618	7,217	7,800	8,262	8,444	8,569	11,278	13,887
Administration & Depreciation Expenses	8,024	8,147	8,533	8,624	8,264	10,205	10,742	10,499	8,896	9,369
Total Expenses	166,969	188,937	206,134	203,510	208,735	229,487	228,168	250,510	284,454	293,217
Nonoperating Expenses										
Transfer in of RCGC operations	-	-	-	-	-	(1,089)	-	-	-	-
Interest on mortgage payable	-	-	-	-	-	-	-	-	50	98
Distributions to Education/DHHS	62,207	66,768	74,335	72,380	74,325	79,185	76,120	87,279	105,853	99,791
Change in Net Position ¹										
Change in Net Position ¹	41	155	-	96	(78)	(1,193)	34	107	681	(453)
Net Position										
Invested in capital assets	42	13	133	246	187	211	145	72	73	169
Restricted for prize funds	3,979	4,134	4,134	4,230	4,152	4,048	4,083	4,189	4,869	4,417
Unrestricted Deficit ^{3,4}	(42)	(13)	(133)	(246)	(2,777)	(3,890)	(3,824)	(24,332)	(24,333)	(24,429)
Ending Net Position ²	\$ 3,979	\$ 4,134	\$ 4,134	\$ 4,230	\$ 1,562	\$ 369	\$ 404	\$ (20,071)	\$ (19,390)	\$ (19,842)

TRENDS

- Significant Growth on the Digital Platforms, both iLottery and the Sports Betting expected
- Lottery sales are impacted by fuel prices.
- Enactment of Sports Betting in Massachusetts would have an impact on NH revenues



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QUESTIONS?