

Illinois Lottery Control Board Meeting Minutes

Wednesday, June 25, 2025, 1:30pm CDT

555 W. Monroe St., Chicago, IL 60661

VIA WEBEX AND IN PERSON MEETING ATTENDANCE

Board Members:

- Diana Sheehan, Board Chair, in person
- Alejandra Garza, Board Member, in person
- Wynona Redmond, Board Member, in person
- Sara Barnett Bruckmann, Board Member, in person

Lottery Staff:

- Harold Mays, Director, in person
- Scott Gillard, Chief of Staff, in person
- Cornell Wilson III, General Counsel, in person
- Joe Logue, Chief Transformation Officer, in person
- Meghan Powers, Communications Director, via Webex
- Amber Chappell, Chief Financial Officer, via Webex
- Matthew Bell, Chief Tech & Operations Officer, via Webex
- Alia McAfee, Director of Program Management, via Webex
- Joe Weiss, Sales Manager, via Webex
- Mason McDaniel, Legislative Liaison, via Webex
- Peter Romano, HR Administrator, via Webex
- Ashley Peterson, Executive Assistant to Director, in person
- Nora Iniguez, Lottery Control Board Secretary, in person

Allwyn-North America Staff:

- Keith Horton, General Manager & General Counsel, in person
- Andrew Lang, Chief Financial Officer, in person
- Marisa Zimmerman, Chief Revenue Officer, in person
- Richard Fairbanks, VP Retail Sales, in person
- Emilia Mazur, VP Corporate Affairs, in person
- Joe Weiss, Regulatory Affairs Manager, in person

Other Attendees:

- Kathy Gilroy, Member of the Public, in person
- Shara Pernermon, TASC (Treatment Alternatives for Safe Communities), via Webex
- Quinella Pernermon, TASC, via Webex
- Colleen Rowan, Brightstar Lottery (formerly IGT), via Webex

CALL TO ORDER/ROLL CALL

Diana Sheehan, Board Chair, welcomes everyone that is in attendance both in person and via Webex. The meeting is called to order at 1:38pm with all the Board Members present to meet the quorum. The Lottery and Allwyn North America Staff are introduced.

PUBLIC COMMENT

Kathy Gilroy, member of the public, addressed the Board with two concerns:

1. The Texas Lottery Commission banned courier services due to a 2023 Lottery fiasco where a \$95M jackpot was won by a conglomerate. Ms Gilroy would like to see the Illinois Lottery put a ban on courier services.
2. Ms Gilroy would like for the Lottery to stop accepting credit cards at the ticket vending machines. She believes this puts problem gamblers more at a risk for compulsive gambling. The Illinois Gaming Board as well as 16 other states banned the use of a credit card for Lottery tickets, sports wagering, video gaming and at casinos.

OLD BUSINESS

Approval of Minutes

Board Members vote and unanimously approve and pass the 04/02/2025 minutes of the Lottery Control Board meeting.

DIRECTOR'S REPORT

Sales Performance – FY25 (July 2024-May 2025)

- FY25 YTD sales for the past 11 months are \$3.5 billion which is a strong performance with multi-state lottery jackpots down.
- Instant Ticket Sales are shy of \$2 billion. The US Instants market is down -0.5% year over year and almost 70% of lotteries are on the decline. Illinois was one of 13 lotteries in growth and ranked #8 overall.
 - Low price point (\$1-\$3) sales of \$151 million are down \$11 million year over year.
 - Mid-priced point (\$5-\$10) sales of \$860 million are down \$14 million year over year.

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- High price point (\$20-\$50) sales of \$980 million are up \$52 million year over year.
- Cashless payment at vending machines continues to grow with 10% of sales now via credit card up from 4% at launch in late September.
- Draw Based Game sales continue to be down year over year with only one large jackpot in FY25. Sales increase when jackpots for Mega Millions and Powerball exceeds \$800 million.
 - FY 23-10 draws over \$800 million=\$148m in sales
 - FY24-26 draws over \$800 million=\$161m in sales
 - FY25-4 draws over \$800 million=\$29m in sales
 - Sales excluding MM and PB are strong at \$1.2 billion ahead of the previous three fiscal years.
 - Fast Play has been a strong addition in helping to secure revenue during the quiet cycle of the multi-state games.
- iLottery Sales (July 2024- June 2, 2025) of \$652 million are up \$29 million vs prior year and are expected to exceed \$710 million this year.
 - The online channel is now an integral component to the Lottery with 44% of Draw Based Game sales coming through the web or app.

Questions and Comments:

Board Chair, Diana Sheehan, asks what practices has the Lottery learned from this year that will carry forward to keep the momentum with the Instant sales to be one of the 13 lotteries with growth. **Marisa Zimmerman states** that they will continue rigorous testing on new launches and being creative on the tickets that players keep going back to like the multiplier games.

Board Chair, Diana Sheehan, comments that this Lottery growth is on its own since there have not been any large jackpots. **Marisa Zimmerman explains** that there is no foot traffic on players purchasing an Instant ticket when jackpots are high.

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Board Chair, Diana Sheehan, asks if there is still a halo effect of players waiting on higher jackpots that is keeping them from purchasing Instant. **Andrew Lang answers** yes and states that sales start to increase when jackpots have reached over \$800 million.

Finance Update -Sales thru May 2025 (Draft & Unaudited) – Amber Chappell

- Instant sales are up year over year due to the \$50 price point and down in every other price point compared to plan.
- Through May, the jackpot performance of our multi state games and our in-state Lotto are approximately \$193 million lower in sales compared to last year.
- Fast play continues to outperform with approximately 89% of sales coming from the iLottery platform.
- YTD Profit and Loss Statement through May, the Department has generated operating revenue of \$3.47 billion which is down approximately \$90 million from last year and operating income of almost \$739.3 million down about \$100 million from the prior year.
- Through May 2025, the Department has transferred \$703.5 million to the Common School Fund.
- The Department supports a total of 10 special causes through our joint specialty ticket program. Through May 2025, the Department has transferred a total of \$108.4 million to the causes we support. Of this, \$10.6 million has been transferred in FY25.

Advertising & Marketing – Marissa Zimmerman

- Media channels are similar in H1 FY25 as H2 FY24 concentrating toward retailer specific efforts like gas station TV, lift screens, ATM screens and check out lanes.
- March 2025- May 2025 highlights in Instant, Draw/iLottery, Experiential include:
 - Support continues for the Multiplier family, Bucks Family with the first progressive 2nd chance promotion, and the new \$50 Instant ticket.
 - Dream Ranger campaign was launched to promote the new Mega Million changes, supported our sports partners (Cubs, Sox, Sky and Fire) to highlight our FastPlay games including the latest game *Big Block Bucks*.
 - Lottery participated in Chicago and Peoria's St. Patrick's Day parades and held various sweepstakes.
- Overview of Fast Play and Instant Tickets for January- June are shown to the Board Members.

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Questions and Comments:

Board Member, Alejandra Garza, asks if the Lottery has a sponsorship with the Chicago Bears or Blackhawks in the Fall months. **Marisa Zimmerman states** that we are heading into our 2nd year with a partnership with the Chicago Bears and a partnership with the Chicago Bulls.

Board Member, Sara Barnett Bruckmann, asks for the current procedure for handling the 2nd chance promotions to avoid fraud. **Richard Fairbanks states** that all the registration information is submitted online, and the drawings are run through with Scientific Games.

Public Relations and Responsible Play & Corporate Social Responsibility – Emilia Mazur

- Community Outreach focused on awareness months for Multiple Sclerosis, Illinois Dream Fund, and Police Memorials
- Winning storytelling continues to drive win belief and promote Lottery games with Illinois having its 4th major jackpot winner on a \$349 million Mega Million ticket.
- The Lottery continues its efforts on strengthening and advancing its responsible gaming program consistent with the best practices recommended by the World Lottery Association which includes stakeholder engagement, employee and player education.
- A post campaign review was performed for the problem gambling awareness month campaign and results were favorable.

Director's Comments – Harold Mays

The Director thanks the Board Members, Allwyn-North America and the Lottery team and members of the public for their participation in today's meeting.

- Staff updates-Departure: Maryann Hong, *Deputy General Counsel*, New Hire: Alia McAfee, *Director of Program Management*
- Audit –The Department has begun its 2-year full compliance audit review with the Office of the Auditor General on FY24 and FY25.
- Specialty Tickets – The Department continues to support the specialty ticket program with the use of a single ticket and participating in the legislative task force that was set up to evaluate the program and make recommendations. A final report will be made available to the General Assembly.

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- Legislative-The Department was successful in extending the sunset provision on the iLottery program. The program has been in existence for 13 years and has been immensely successful.

Closing Remarks – Director Harold Mays

The Director states that the Department will fall short of the record setting numbers produced in FY24 as far as revenue by 2% and our net proceeds by close to 9% delivering \$80 billion less than last year. Some of this was expected due to the lack of high jackpots and despite our positive performance with FastPlay and the \$50 scratch ticket category, the rest of the scratch portfolio has struggled which is in line with what the industry is experiencing. The FY26 business plan is close to being approved and hopeful for a strong rebound of FY26. As always, the Department is available for any follow ups.

Questions and Comments:

Board Chair Diana Leza Sheehan asks if FY25 was the 2nd or 3rd highest year to give back to the Common School fund even with \$80 billion less funds. **The Director states** that it is more like the 3rd and 4th. **Andrew Lang confirms** that it will be the 4th of this year.

ADJORNMENT

With all business concluded, motion to adjourn was given at 2:30pm. **Motion was unanimously approved and passed.**

Respectfully submitted by,

Nora Iniguez/LCB Secretary