

**WYOMING LOTTERY CORPORATION**  
**Special Session Board Meeting Minutes**  
Monday, June 28, 2023  
Zoom Video Conference

**Board Members present via Zoom:** Jim Willox- Chairman, Gina Monk- Vice Chairwoman, Gerry Marburger- Treasurer, Dave Snyder, Sandra Wallop, Mary Throne and Lori Brennan.

**Board Members not present:** Ed Liezeit and Todd Peterson

**Staff Members Present:** Jon Clontz- CEO, Robin Medina- COO, Loy Jackson- CFO, and Jessica Baldwin- Executive Assistant.

**Guests Present via Zoom:** Matt Kaufman- Legal Counsel

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**Establish Quorum:**

Chairman Jim Willox called the meeting to order at 8:37 a.m. with a roll call of board members and staff members. It was noted that Ed Liezeit and Todd Peterson would not be in attendance.

**Agenda Approval:**

Chairman Willox presented there were no additions or changes requested.

**CEO Report:**

Wyoming Lottery Corporation (WLC) CEO Jon Clontz reported and discussed the following:

- Main happenings
  - Keno
    - Up to 135 hang n' play locations
    - The new Product Manager, Marty, has been doing really well
      - Has pulled in the Horse Palaces and Wyoming Downs locations
      - Closed the deal on 10 locations within the past few weeks
  - Sales
    - Brisk due to no large jackpots
  - New Board Member Frosty Williams
    - Been in contact with and will have orientation at the end of July
  - Met with Gina Monk regarding her new position as Chairwoman
  - Intralot
    - Contract extension was received
      - Will be giving us \$65,000 for the testing of the ticket dispensing machines
    - Will drop their rate to 11.39%

- New Building
  - Have a piece of land we would like to buy
    - Entered into an agreement and put down earnest money of \$10,000 but can be pulled pending the board approval
    - Layouts and diagrams will be sent to the board members for their input
      - The piece of land that we are interested in is located on West Lincolnway where the old Hitching Post used to be
      - Very visible from Lincolnway and the interstate
        - The only building that would be in front of us will be a small coffee shop
      - Will be getting an architect to draw sketch design pending board approval.
        - Will cost between \$40k and \$50k for the architect
    - There are other pieces of property on Yellowstone and Del Range as well
      - Dell Range property is expensive
      - Yellowstone property is close to residential properties
    - The piece of land that we are interested in on West Lincolnway, will cost \$400,000
      - 3 Story Building
      - 1 building in front of us
      - Better access and parking
      - Could be able to move in, in August of 2024
      - The entire purchase of this will cost \$3.1 Million
        - This consists of the land, building and architect
        - \$250 sq/ft on the high end but may be able to lower it to \$240 sq/ft
        - Total sq/ft of the building will be about 11,000
          - Will rent out space to Intralot only
          - All of the storage fees would disappear due to having enough room for the vehicles and swag at this building
    - There is another other piece of land on West Lincolnway very close to the land we are interested in, and that section would cost \$700,000
      - 2 Story Building
      - This building would be located right on the road
  - Reserve Funds presented by Loy Jackson
    - New Building fund
      - \$2 Million has been added to the new building fund
        - We could potentially pay for this new building purchase in cash
      - \$1 Million in the 25% fund
      - Over \$4 Million in the entire savings fund

- This amount is subject to change due to the transfer to the State.

### **Budget Presentation:**

WLC CFO Loy Jackson and WLC COO Robin Medina presented an overview of the proposed budget and sales projections.

### **Wyoming Lottery FY'24 Sales Projections (Robin Medina)**

- Sales
  - Powerball
    - \$135,000 per week
  - Mega Millions
    - \$85,000 per week
  - Cowboy Draw
    - \$145,000 per week
  - Lucky for Life
    - \$50,000 per week
  - 2by2
    - \$20,000 per week
  - Keno
    - \$137,000 per week
    - Based on 150 Retailers and ticket dispensing machines
- Total
  - \$572,000 per week
  - \$29,744,000 for FY'24

### **Proposed Profit & Loss Budget Overview / Comparison**

- Total Revenue
  - \$32.7 Million for the year
- Total COGS
  - \$25.3 Million for the year
- Total Gross Profit
  - \$6.6 Million for the year
- Expenses
  - Board expenses
    - \$103,000
  - Business Expenses
    - \$256,000
  - Marketing Expenses
    - \$1.3 Million
  - New Game Development
    - \$722,000
  - Outside Contract Services
    - \$221,000

- Facilities and Equipment
  - \$263,000
- Operations
  - \$205,000
- Personnel Salaries & Benefits
  - \$1.7 Million
    - The buyout on leave was discussed
      - The leave buyout benefit could potentially be eliminated due to the spike of saved leave time for employees
- Total Expense
  - \$4.8 Million
    - This amount does not take into consideration the Intralot contract and a few other items. This amount could decrease by about \$100,000.
- Net Income
  - \$1.8 Million
- State Transfers
  - \$1.4 Million
- Retained Proceeds
  - \$456,000

Board Member Dave Snyder made a motion to approve the Sales Projections and Budget for FY'24 as presented. The motion was seconded by Board Treasurer Gerry Marburger, and the motion passed by a unanimous vote.

**Meeting Adjournment:** Chairman Willox announced the closure of the meeting at 10:30am.