

**Regular Meeting of Board of Directors  
New Mexico Lottery Authority  
March 12, 2025**

**MINUTES**

**Call to Order:** Board Vice Chair Sal Baragiola called the meeting to order at 1:04 p.m. and asked for a roll call. Present and constituting a quorum were David Keylon, Leo Romero, Paul Guerin, and Sal Baragiola. Reta Jones and Othiamba Umi absent.

**Introductions:** Present from NMLA staff were Wilma Atencio, David Barden, Carolyn Cabell, Linh Coonan, Michael Boland, and Bryan Bersosa. Also attending were Mary Stanford with INTRALOT and Charlie Scannella with Scientific Games.

**Approval of Proposed Agenda:** No changes or further discussion. S. Baragiola entertained a motion. D. Keylon moved to approve the proposed agenda; L. Romero seconded the motion. Motion carried 4-0.

**Approval of Minutes of December 18, 2024, Board of Directors Meeting:** No changes or corrections. S. Baragiola entertained a motion. L. Romero moved to accept and approve the December 18, 2024, meeting minutes as presented; P. Guerin seconded the motion. Motion carried 4-0.

**Approval of Minutes of January 16, 2025, Board of Directors Special Meeting:** No changes or corrections. S. Baragiola entertained a motion. L. Romero moved to accept and approve the January 16, 2025, meeting minutes as presented; D. Keylon seconded the motion. Motion carried 4-0.

**Public Comment:** None.

**REPORTS:**

**Finance and Audit Committee:**

**FY 2025 Financial Audit Contract:** M. Boland reported that when he receives notice from the Office of the State Auditor to procure an audit firm, the Lottery will execute the final contract renewal available with Moss Adams. The cost for the final year of services will be \$59,550. The Lottery will issue a new RFP for FY 2026 Financial Audit Services.

S. Baragiola inquired about the dates for this renewal. M. Boland responded that the year being audited runs July 1, 2024, through June 30, 2025.

D. Keylon asked if the Lottery is satisfied with the services provided by Moss Adams. D. Barden responded that the Lottery is satisfied, but as with all things that get audited, there are discussions and/or disagreements. The Lottery felt we had taken the steps necessary to resolve an "Other Matter" finding and expected it to roll off during last year's audit, but it was instead expanded.

L. Romero requested confirmation that Moss Adams would be conducting the audit for this fiscal year and that it will be their last year. M. Boland confirmed.

**Financial Statements:** L. Coonan, Director of Finance, reviewed the highlights of the financial statements through January 2025. The Lottery transferred \$26.8 million to the Lottery Tuition Fund. The Lottery has transferred \$1.08 billion to education since inception (1996).

There was general discussion regarding game sales, including draw game sales are down due to a lack of large jackpots and that instant games are stable due to prize payouts. We now have several years of data to demonstrate that when prize payouts increase, instant ticket sales increase.

## **CEO**

**Open Meetings Resolution:** S. Baragiola reported that the Open Meetings Resolution is a document adopted annually that governs the Lottery when conducting meetings in accordance with the New Mexico Open Meetings Act.

There was discussion about meeting postings. D. Barden reported that the Lottery has been following the Open Meetings Resolution regarding postings.

S. Baragiola entertained a motion. L. Romero made a motion to accept the Open Meetings Resolution as presented; P. Guerin seconded the motion. Motion carried 4-0.

**CEO Update:** D. Barden presented weekly instant and online sales trends, a comparison of fiscal year sales by game, upcoming changes to Mega Millions, a new instant game featuring Zozobra, possible building renovation, and the proposed next Board meeting date.

D. Barden presented Mega Millions game changes that will take place next month, including a \$5 price point, a higher starting jackpot of \$50 million, better odds, and a built-in multiplier feature. The first drawing will be on April 8. The Lottery will update the Rules for Online Games policy accordingly per previous Board direction for updating policies.

S. Baragiola inquired about jackpot frequency with the changes. D. Barden responded that we are anticipating more jackpots. L. Romero asked if there are any changes to Powerball. D. Barden responded that there are no changes currently being made to Powerball. D. Barden continued that there are ongoing discussions to expand Powerball to the United Kingdom, which could potentially bring in more population and therefore more jackpot runups. L. Romero asked if Canada is being considered for Powerball. D. Barden responded that Canada has a similar game of their own and cannot participate in Powerball.

D. Barden reported that the Zozobra instant game launched earlier this month, along with an event held at Meow Wolf in Santa Fe last week with outstanding participation. The Lottery had a ticket art selection, and three local artists are featured on the tickets.

D. Barden reported that the gaming system conversion is underway. The RFP protest from Intralot has been dismissed and we are all moving forward.

D. Barden reported that in 2023, the Lottery engaged a local architect to provide an evaluation of a second-floor buildout to include 3000 square foot office space, stairwells, restrooms, and an elevator with an estimated cost of \$1.5 million. The Lottery is continuing to evaluate potential renovation and will have an update for the Board in the future.

The next proposed Board meeting will be scheduled for mid-June focusing on the FY 2026 annual budget and inventory review.

S. Baragiola inquired about reviews and updates of policies and procedures. C. Cabell responded that there is an on-going review of Lottery policies, some of which may be brought to the Board for approval at upcoming meetings.

**Board Chair****Board Initiatives:** None.**Other:** None.**Other Items:** None.

**Adjournment:** S. Baragiola entertained a motion. D. Keyon moved to adjourn the meeting; L. Romero seconded the motion. Motion carried 4-0. The meeting adjourned at 1:47 p.m.



R. Jones, Chairman

Date: 6/18/25

P. Guerin, Secretary/Treasurer

Date: 6/18/25