

**Regular Meeting of Board of Directors  
New Mexico Lottery Authority  
September 24, 2025**

**MINUTES**

**Call to Order:** Board Vice Chair Sal Baragiola called the meeting to order at 10:33 a.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 were absent.

**Introductions:** Present from NMLA staff were Wilma Atencio, David Barden, Carolyn Cabell, Linh Coonan, and Michael Boland.

**Approval of Proposed Agenda:** S. Baragiola entertained a motion. L. Romero moved to approve the proposed agenda; D. Keylon seconded the motion. Motion carried 4-0.

**Approval of Minutes of June 18, 2025, Board of Directors Meeting:** S. Baragiola entertained a motion. D. Keylon moved to accept and approve the June 18, 2025, meeting minutes as presented; L. Romero seconded the motion. Motion carried 4-0.

**Public Comment:** None.

**REPORTS:**

\* S. Baragiola reported that the Board Chair, Reta Jones, communicated through the CEO that the minutes should reflect her affirmative vote for the action items on the agenda, provided that her affirmative vote does not change the outcome of the vote of those present.

**Finance and Audit Committee:**

**Review August 13, 2025, Committee Meeting Minutes:** P. Guerin reported that the Finance and Audit Committee meeting minutes from August 13, 2025, are accepted as information.

**Approve FY 2026 Internal Audit Plan:** P. Guerin asked M. Boland to provide a brief overview of the Internal Audit Plan. M. Boland reported that the plan highlights the audit areas, priority levels, audit activity, and time allotted for each audit area. Internal Audit held discussions with management and process owners to aid in the development of the plan. For FY 2026, Internal Audit will concentrate efforts on Information Technology policies and procedures, payables management activity, and monitoring transition controls due to the change in gaming system vendors this fiscal year. M. Boland reported that he will prepare and issue the RFP for Financial Audit Services for FY 2026 and will continue to monitor remediation efforts by the Lottery and online vendor for any penetration test findings.

S. Baragiola asked whether the audit plan includes financial audit findings from previous audits. M. Boland responded that the plan does not include findings specifically, but that there is a line item in the audit plan that allows for follow-up to findings in prior audits.

L. Romero stated that the Finance and Audit Committee reviewed and vetted the audit plan with M. Boland and approved that the plan be recommended to the full Board for adoption.

S. Baragiola entertained a motion. L. Romero moved to approve the FY 2026 Internal Audit Plan as presented; P. Guerin seconded the motion. Motion carried \*5-0.

**Review Financial Statements:** L. Coonan reviewed the highlights of the financial statements through August 2025. The Lottery transferred \$7.51 million to the Lottery Tuition Fund for FY26 YTD. The Lottery has transferred approximately \$1.1 billion to education since 1996. As of August 2025 YTD, gross revenue reached \$25 million, 3% higher than FY25 YTD and 4% above the FY26 YTD Budget.

S. Baragiola asked if the recent Powerball jackpot runup helped with the financials. D. Barden responded that although it is early, there was a positive impact to game sales. P. Guerin commented that the runup did increase in draw game sales; however, there were other factors that prevented total sales from being as strong as they could have been. D. Barden reported that it took 42 draws to get to the massive Powerball jackpot.

**Security and Operations Committee:**

**Review June 18, 2025, Committee Meeting Minutes:** S. Baragiola reported that the Security and Operations Committee meeting minutes from June 18, 2025, are accepted as information.

**Approve Joining the Millionaire for Life Draw Game:** C. Cabell presented Millionaire for Life, a multi-jurisdictional draw game being developed by the Multi-State Lottery Association (MUSL), which manages other games including Powerball. Similar to Powerball, the gameplay, prizes, and rules are all set at the national level. As per the Board's previous direction regarding game rules, the Lottery would incorporate the Millionaire for Life game rules into our existing game rules policies as applicable.

C. Cabell reported that the Millionaire for Life game would include two levels of "for-life" annuity prizes, wherein the winners would receive payments each year for the rest of their lives. There would be a twenty-year minimum payout, and the winners could choose to take a one-time lump-sum payment instead of the annuity. C. Cabell discussed current "for-life" games offered by other lotteries. C. Cabell stated that the addition of this new game to our portfolio would provide players a sense of familiarity through its gameplay, while also offering a new and unique prize offering with the annuity.

C. Cabell mentioned that the national game will launch on February 22, 2026, but due to the gaming system conversion, MUSL will allow New Mexico to join at a later date.

C. Cabell reported that MUSL is also developing a game in partnership with the NFL called Xs and Os. C. Cabell noted that the game would not be a sports wagering game involving any sporting event outcomes. While there would be NFL themes to the game, it would still be a matrix-based draw game. The Lottery will provide a presentation at a subsequent Board meeting.

D. Keylon inquired about draw days and the time to launch beyond the conversion date. C. Cabell responded that there would be daily drawings and that Scientific Games (SG) will provide an estimated time after conversion, most likely later in the year. D. Barden stated that the Lottery does not anticipate any issues, since SG will already be working on the programming for other states.

L. Romero asked if there would be any cost to participate in this game. C. Cabell responded that this game would operate similarly to other draw games with MUSL. It would have a 55% prize payout, which should help with our overall payout percentage and the 30% mandated return to the State. D. Barden stated we pay a de minimis fee to MUSL to run the games.

There was additional general discussion about the game, marketing strategy, etc.

S. Baragiola entertained a motion. D. Keylon moved to approve joining the Millionaire for Life multi-jurisdictional game and update the applicable game rules policy according to Product Group rules determined by the MUSL; L. Romero seconded the motion. Motion carried \*5-0.

## CEO

**Social Media Presentation:** Vanessa Mellone, Communications Manager, provided the social media presentation that she had given at the NASPL Professional Development Seminars in July. V. Mellone described the Lottery's social media strategy, including goals, trends, responsible gaming efforts, winner awareness, and cost-effective means of advertising. There was general discussion about social media platforms and the performance indicators.

**Approve a Sole Source Emergency Procurement for the Gaming System and Related Services, as expressly provided in the current Intralot Contract:** D. Barden summarized the RFP process for the gaming system, which included an unsuccessful protest by the current vendor. The protest delayed the implementation of the new gaming system. The contract with current vendor expires November 22, 2025. That contract includes a provision to maintain the contract's terms and conditions for a period beyond the expiration of the contract. D. Barden reported that applicable vendor payments are already included in the Board-approved budget. Due to the current contract reaching the maximum term allowed by the Procurement Code, the Lottery would like to post a sole-source procurement document on our website, allowing us to utilize the additional period per the current contract.

D. Keylon asked whether there is an alternative other than the gaming system shutting down for several months. D. Barden responded that there is no alternative. P. Guerin asked whether the additional period is sufficient. D. Barden responded that it should be, but that the Lottery would report any issues and options to the Board as applicable. L. Romero inquired about the new contractor's timeline. D. Barden stated that SG is on target for February 22, 2026. S. Baragiola asked if we need approval from the State. D. Barden responded that we do not, as we would be following protocols for sole-source procurement. The Lottery's attorney will assist with the required documentation.

S. Baragiola entertained a motion. L. Romero moved to approve the Lottery issuing a sole source emergency procurement for the gaming system and related services, as expressly provided in the current Intralot contract; D. Keylon seconded the motion. Motion carried \*5-0.

**CEO Update:** D. Barden presented information about the general Lottery industry, the recent Powerball jackpot runup, weekly instant and online sales, and increases in Oklahoma Lottery returns since eliminating their percentage return mandate. D. Barden listed the policies that have been reviewed and updated with non-substantive changes pursuant to Board direction. There was general discussion about lottery industry facts, jackpot runups, and the potential for legislative initiatives.

D. Barden reported that SG will provide a presentation on iLottery at the next Board meeting.

L. Romero left the meeting at 11:35 a.m.

## Board Chair

**Board Initiatives:** None.

**Other:** Board members thanked management and staff for all their hard work and continued success.

**Other Items:** None.

**Adjournment:** S. Baragiola entertained a motion. D. Keylon moved to adjourn the meeting; P. Guerin seconded the motion. Motion carried 3-0. The meeting adjourned at 11:44 a.m.

  
R. Jones, Chairman

Date: 12/17/25

10/7/2025 wa

  
P. Guerin, Secretary/Treasurer

Date: 12/17/25