



DRAFT MINUTES
Regular Meeting
of the Board of Directors of the
Connecticut Lottery Corporation

Held on
Thursday, October 13, 2022 at 12:00 p.m.
at the
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut 06067

Board Members Present: Robert Simmelkjaer, Board Chair; Wilfred Blanchette, Jr; Michael Cicchetti; Meghan Culmo (joined at 12:21 p.m.); Matthew Daskal; Steven Ezzes; John Flores; Ajay Gupta; James Heckman; Manny Langella (joined at 12:05 p.m.); Andrew Meehan (joined at 12:10 p.m.); and Margaret Morton (left at 1:30 p.m.) (all via teleconference).

Staff Members Present: Gregory Smith, President & CEO; Peter Donahue; Melissa Durso; Jodi Ganzer; Lauren Perrotti (via teleconference); Mark Walerysiak; Andrew Walter; and Annmarie Daigle.

I. Welcome and Introductions:

Chair Simmelkjaer welcomed the Board members and called the meeting to order at 12:03 p.m.

II. Approval of August 11, 2022 Board Meeting Minutes:

On a motion by Mr. Ezzes and seconded by Mr. Blanchette, the minutes of the August 11, 2022 Board Meeting were unanimously approved.

III. Lottery Reports:

a. Marketing Report:

Mr. Donahue reported on the 50th Anniversary event held earlier in the month, noting that it was a success and presented a short video. He also noted that the recent Play3 and Play4 promotions were successful but that due to inflation and market insecurity instants and daily draw games are all down with the exception of the multi-state and Fast Play games, which continue to do well.

b. Sports Betting Report:

Mr. Walter noted that we had reached the one-year anniversary since the launch of sports betting in Connecticut and the CLC had roughly doubled market share since March. Recent highlights include the

launch of Rush Cash, a second chance bet promotion, and the We The Fans campaign on television and radio. Football Saturdays and Sundays continue to do well, seeing a double-digit increase in sales.

c. Financial Report:

Mr. Smith reported on the retail lottery performance for the month ended September 30, 2022 with \$112 million in sales, profits of \$34.6 million and \$31.5 million to the general fund. He also noted that sales for the quarter ended September 30, 2022 were just below budget and \$13 million below last year. All sales figures are unaudited.

d. President's Report:

Mr. Smith noted that we would be reaching out to the Committee chairs to set meeting schedules for 2023. The financial audit will be completed in the next three to four weeks and that a Finance Committee meeting would be scheduled and results brought forth to the full Board at the December meeting. The new gaming system conversion project is going well and we are about seven and a half months from launch.

IV. Committee Reports:

a. Executive Committee:

Mr. Simmelkjaer noted that the Executive Committee met on September 8 to discuss updates of lottery vendor diversification as well as sales and profits. In Executive Session, the Committee reviewed real estate, discussed the President & CEO's performance review, and heard an update on legal matters. No votes or actions were taken.

b. Sports Betting Development Committee:

Mr. Simmelkjaer stated that the Sports Betting Development Committee met earlier in the week and heard an update on the retail development plan, which will also be discussed in today's Executive Session. No votes or actions were taken.

VI. Executive Session:

On a motion by Ms. Morton and seconded by Mr. Cicchetti, the Board moved to Executive Session at 12:38 p.m. to discuss:

- a. Draft Sports Betting Appeals Process
- b. Review of Real Estate – Lease Agreement
- c. Real Estate Update – New Office Cost Estimate
- d. Update on Pending Claims and Litigation: CHRO Matter
- e. iLottery Update
- f. Sports Betting Update

Ms. Durso and Mr. Smith stayed for the full Executive Session. Mr. Donahue; Ms. Ganzer; Ms. Perrotti; Mr. Walerysiak; Mr. Walter and Ms. Daigle stayed for items a., b., c., e., and f.

VII. New Business:

- a. Discussion and action, if any, on items discussed during Executive Session

The Board returned to public session at 1:52 p.m. with Chair Simmelkjaer noting that no votes or actions were taken in Executive Session.

On a motion by Mr. Blanchette and seconded by Mr. Gupta, the following motion passed with only Mr. Flores abstaining:

RESOLVED: That after due consideration and with recommendation from the Executive Committee, the Connecticut Lottery Board of Directors hereby approves and adopts the newly drafted Sports Betting Appeal Procedure-Prohibited Patron as a fully operational document. The Connecticut Lottery Board of Directors hereby further approves the posting of said Appeal Procedure for the necessary public comment period. Upon vetting by the President and CEO, should any material changes be necessary in light of the public comment period, such changes will be presented to the Board of Directors for due consideration.

On a motion by Mr. Flores, seconded by Mr. Ezzes, and unanimously approved, it was:

RESOLVED: That after due consideration, with recommendation from the Executive Committee and having been reviewed by the State Properties Review Board, the Connecticut Lottery Board of Directors approves and authorizes CLC's President and CEO to execute the Lease Amendment as drafted and discussed in Executive Session.

b. Discussion of Draft Board Meeting Schedule for 2023

The meeting schedule for 2023 was discussed and will be voted on at the December meeting.

VIII. Adjournment:

Chair Simmelkjaer noted that the next scheduled Board Meeting is on Thursday, December 8, 2022 at noon and thanked everyone for their attendance.

On a motion by Mr. Blanchette, seconded by Mr. Flores, and unanimously approved, the meeting adjourned at 1:56 p.m.

Respectfully Submitted,

Melissa Durso
Corporation Secretary
CT Lottery Corporation