



**Finance Committee**  
Minutes of Special Meeting

Held on  
Thursday, June 28, 2018 at 9:00 a.m.  
at the  
Connecticut Lottery Corporation  
777 Brook Street  
Rocky Hill, Connecticut 06067

Committee Members: Patrick Birney, Chair of the Finance Committee; and Robert Dakers.

Staff Members: Chelsea Turner, Interim President & CEO; Paul Granato; Matthew Stone; Kendra Eckhart; Jennifer Hunter; Annmarie Daigle; and Bryan Figueroa.

Call to Order: Mr. Birney called the meeting to order at 9:02 a.m.

I. Approval of May 22, 2018 Minutes:

This item was tabled to a future meeting.

II. Review of Proposed FY19 Budget:

Mr. Birney requested that Mr. Granato give an overview of the FY19 budget, which consisted of the following highlights.

Total sales for FY19 is projected to be \$1,288,500,000. This represents an increase of \$34.6 million from the FY18 budget. He noted that management anticipates that we will produce and launch 38 new instant games across various price points in FY19 and new draw game initiatives include an enhancement to Lotto!, increasing the price to \$2; as well as a continued emphasis on Keno. Gaming system vendor fees are expected to rise and include fees to our gaming vendor in addition to new initiatives for full-service player activated terminals and a new loyalty reward program. Salaries and benefits are up year over year, although we have several vacant positions. The projection includes required increases and lump sum payments to bargaining unit employees under the revised SEBAC agreement. Managers' salaries are frozen at this time but may be reevaluated later in the year.

Total operating income for FY19 is projected at \$352 million. After payments of \$2.3 million to the Chronic Gamblers Fund and \$3 million to the Department of Consumer Protection for regulatory costs, there will be a transfer of approximately \$347 million to the General Fund.

III. New Business:

- Review and Possible Action Re: FY19 Budget

After a brief discussion, the Finance Committee decided to discuss the Proposed FY19 Budget with the full Board at today's meeting.

- Annual Report:

Mr. Granato reported that the FY17 Annual Reports were completed and available at today's meeting.

IV. Post-System-Conversion Update:

Mr. Granato stated that the software conversion is going quite well and we expect to shorten the time to close the quarterly financials going forward.

V. Adjournment:

On motion made by Mr. Dakers and seconded by Mr. Birney, and unanimously approved, the meeting was adjourned at 9:54 a.m.

Respectfully Submitted,

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Paul A. Granato  
Chief Financial Officer  
Connecticut Lottery Corporation