



CT Lottery

MEETING TRANSCRIPTION

Finance Committee

Special Meeting

June 5, 2020 at 10:00 a.m.

via teleconference

Committee Members: Patti Maroney, Chair of the Finance Committee; Patrick Birney; and Manny Langella (all via teleconference).

Board Members: Robert Simmelkjaer, Board Chair

Staff Members Present: Greg Smith, President & CEO; Paul Granato; Matthew Stone; and Annmarie Daigle.

I. Welcome:

(P. Maroney): Welcome to our Special Meeting of the Finance Committee on Friday, June 5, 2020. I'd like to call the meeting to order at 10:03 a.m. In accordance with Governor Lamont's Executive Order 7B, the public has been provided access to our meeting via teleconference. That line is now open. There will be no in-person public attendance at this meeting pursuant to the Governor's order. The public dial-in information was provided via regular notice of this meeting. I will also point out to conform with meeting procedures, everyone please identify yourself for the record when speaking as we do have a public line open.

II. Approval of the May 8, 2020 Finance Committee Meeting Minutes:

(P. Maroney): The first item on the agenda is approval of the May 8, 2020 Finance Committee Special Meeting Minutes. Do I have a motion on those?

(P. Birney): Patrick Birney, so moved.

(P. Maroney): Second. Any discussion? All in favor?

(All): Aye.

(P. Maroney): The minutes are accepted. Thank you.

III. New Business:

a. Review Draft of FY21 Budget:

(P. Maroney): Next is the Review of the FY21 Budget, Paul can you take us through that?

(P. Granato): Good morning everyone, thank you. The purpose of today's meeting is to review the second version of the 2021 proposed budget. Late last week you received two documents -- they were virtually the same in terms of our expenses. We provided a second alternative view with a more conservative sales outlook and I'll address that later in the meeting. If you have your document handy, it is the 'Version 2 of the 2021 Proposed Budget' and we've highlighted a number of cells for you that have changed from the first version. That is where I'm going to spend the majority of my time discussing the changes and if you'd like me to go into any other detail or anything you'd like to revisit from our first discussion, please jump in at any time. As

you can imagine, projecting sales during this time is difficult. Earlier this week the casinos reopened and we had planned for probably a little bit of softening in our sales portfolio and exactly the opposite happened. Last week was a holiday week, but our sales for Monday through Thursday this week compared to the last week are up over 13%, with the casinos reopening. I'm not sure really how to project going forward but we did take a look at what we had projected the first time through and we've already adjusted our year-end numbers. We look like we are going to improve upon those initial results up to about \$35 million ahead of that. That's the first information you will see on page one of this Version 2. I am looking at the fiscal year 2020 12-month estimate. Again that is a \$35 million increase we are expected to see based on the increase in sales that we've noticed during this time of the pandemic.

(P. Birney): This is Patrick Birney. I have a question for Paul. In terms of the FY2020 Estimated which, based on what you said, these numbers look like they've increased since Version 1, is this based on a conservative estimate through June 30th, do you think these numbers are going to change up based on what's happened in the last week?

(P. Granato): That is a hard answer Patrick. We've met a number of times, a group of senior managers have gotten together and projected individually and tried to come to a consensus on these numbers and it's like trying to throw a dart against a dart board. We have adjusted them north, and there may be even more improvement before the end of the year. How long that lasts, it's really anyone's guess – with restaurants reopening, people may have less disposable income if they're using it for other purposes – we don't have enough information yet to really pinpoint. I think that's why we decided to give two versions of the budget, a more conservative sales outlook as well.

(G. Smith): Patti, this is Greg Smith, I'd like to confirm a thought with Paul.

(P. Maroney): Sure.

(G. Smith): Thinking of what Patrick asked and maybe something important for the Committee members to hear, is it correct to say that the 2020 estimate, whether it's revenue or expense lines, you have not put much if any change into that column on those documents as opposed to all other adjustments relating to the fiscal 2021 budget? Is that accurate?

(P. Granato): That's accurate Greg.

(G. Smith): Thank you, because I know thinking of Patrick's question, Paul and I have spoken probably every other day on how will we finish -- how strong May has been -- but none of that thinking or re-projecting is in these fiscal 2020 numbers that you're looking at now. I didn't want people to get in lost how well or what does the recovery looks like compared to the actual discussion itself.

(P. Birney): Ok, thank you.

(P. Granato): Based on that, we developed our fiscal 2021 budget numbers and you'll see those are highlighted as well. There's about an \$8 million improvement from the first iteration of the budget. There's a \$2 million increase in our scratch sales and an overall \$2 million increase in our daily games, a decline projected in the Lucky for Life game going from \$20 million to \$19 million so that's a minus \$1 million. Keno has been adjusted up \$4 million and FastPlay has been adjusted plus \$1 million. So a net total of plus \$8 million in additional revenue from the first version. Again these are based on the most recent projections that we have and again with

the uncertainty in terms of how long this increase will last and when we go back to what we believe will be a more normalized level.

(P. Birney): I don't think we talked about this in our first meeting, I am just perplexed as to where we ended up on the two multi-state games, how far they're down year-to-budget and then the decrease for the 2021 proposed budget. If I could get some additional information or reeducation on the gap between estimated and actual for the two multi-state games, and then jump to our thinking on the 2021 numbers.

(P. Granato): Sure Patrick. Our fiscal 2020 budget was estimated at about \$70 million for each of those two games bringing in \$140 million in multi-state games. As you have heard from this Finance Committee, through the first three quarters activity our actual numbers have fallen significantly below the budgeted numbers based on a number of factors. First, a very low interest rate which causes the annuity value to grow at a slower rate, and less participation at low jackpot levels. Jackpots have been growing so slowly that the multi-state group has decided to lower the starting jackpot because it was taking too long for those games to get funded. Those drastic actions have caused us to relook at these games and we can see the actual results -- even with a multi-hundred million dollar jackpot with Mega Millions right now, we are not even acquiring just over a million dollars in sales on a weekly basis which is pretty poor results for a \$370 million jackpot. So participation is down, the low interest rate -- all of these have a very severe impact in terms of generating sales revenue. We carry that forward in fiscal 2021 so those numbers may actually be a little aggressive at \$110 million between the two games. We expect that the games will continue to offer several hundred million dollar jackpots, that's when we start to see the revenue increases, especially with the Powerball game, and that was the thinking that the group decided to put forward with these two numbers for fiscal 2021. Do you want to add anything Greg?

(G. Smith): You touched on the key points. If I were to summarize I'd say the annuity factor is a significant aspect of even a strong level of sales or even a more moderate level of sales causing the jackpots to less speedily. They reset to \$20 million now instead of \$40 million. And then it's been almost a year now that the Powerball game has had one of its financial mechanics not performing and the group hasn't addressed it. It's not terribly significant to cause tens of millions of dollars of reduction but it is something the group has been unable to address so far, just based on getting people's attention and understanding. That feature is called the jackpot carryforward pool. Those are the things that are causing these numbers -- this combined \$110 million -- sadly enough, to be more realistic.

(P. Birney): This is Patrick, just a follow up question and more overall education for us on the Board, can you remind us what role the Connecticut Lottery Corporation plays in the oversight as board members of the multi-state games? What role do we play in the management of games, the procedures, modification of the rules, etc.?

(G. Smith): This is Greg. Connecticut is one of thirty-seven member states that manage Powerball. The other U.S. lotteries that don't manage Powerball manage Mega Millions. So if I thought of Mega Millions, we are silent as to the management of that game and then we are roughly a 3% voice, but certainly an even-standing board member for the Powerball group. That's where all of the rules, all of the financial decisions that are promulgated by that group, and Connecticut has always played what I consider a strong role in voicing opinions and making sure these games were managed well. Currently, there are three different schools of thought that

are happening now, and none of them have garnered the majority needed to make any kind of change to this game.

(P. Birney): Thank you.

(P. Maroney): Greg do you think they'll find their way to making changes in the next twelve months or are they that far apart?

(G. Smith): While it's possible, not being able to get together makes it all that much more challenging. It's been slower moving since the pandemic began, no surprise there. And we have zero control over the annuity factor, that's financial market driven function and until sales return to a normal level that will be the other driver for allowing these jackpots to be better. It would take a half-billion dollar jackpot or higher in either of these games for us to think we could bring forward a higher number for either one of those games and those do not happen with a frequency or consistency. We'd rather hit or be slightly low in a conservative thought as opposed to what I'd say unconsciously bold in putting \$140 million in again as a combined item for those two games.

(P. Maroney): Thank you.

(P. Granato): Although we'd certainly love to see \$140 million.

(G. Smith): Yes we would. One other thought is important and Paul will get to this in one of the expense lines, I had said to the Committee last time we met and it is now present in these numbers and in other ones, we had a retailer incentive plan that we had started in March and we had to suspend based on the pandemic with retailers not being open. We put that back into this version which also resulted in us raising some of the sales, certainly of instant tickets and daily number games, of Keno, and a little bit for Fastplay, so some of the revenue growth that Paul described is a bi-product of us actually reinstating the retailer incentive plan. If we don't do it, we won't be spending the money on the incentive but we wanted to put the potential for that incentive money in and a reflection of that in the sales growth, so those numbers are in here.

(P. Granato): Thanks Greg. Let's continue to move on down the spreadsheet.

(P. Birney): This is Patrick, sorry, while we are still on revenue I'd like to applaud the Keno number, considering all that has happened in the last 90 days I'm tickled to see that the Keno numbers are estimated to be on budget, that's pretty wild. If I could just understand where we're headed and why the increase estimated for 2021 budget for the Keno numbers? I'm very happy that we have this kind of increase but if you could let us know the basis of the increase given.

(P. Granato): Sure. Obviously Keno is one of our leading products and it is primarily played in bars and restaurants which are impacted by the pandemic right now and none-the-less we've still seen somewhat of an increase of returning to normal levels of our Keno sales. We have an initiative planned for fiscal 2021, which I'll get to when we get further down into the expense items, for additional Keno monitors and media servers which is the equipment that it takes to run the display that you see in either the convenience stores as well as bars and restaurants. We have a program where we are identifying that next level store which we can positively impact with just having the Keno monitor in the store. A store that does not have one and gets one, we've seen 20%-30% increase in sales and that's really the focus in 2021 as well. We've been successful in rolling that out – I think we've done 8 or 9 separate initiatives where we've added these monitors out into the field and each time we do that it's about 40 to 50 stores for each of

those initiatives where we are placing these monitors and servers into the field and we see that Keno growth.

(P. Birney): Terrific. Thank you.

(P. Granato): Moving on to line 76 through 79 you'll see those are highlighted as well, this is a promotion that we've scheduled not only for this fiscal year but for next fiscal year as well. It's a support for our daily games. These games right now are seeing a significant increase in play right now. This is a method to reward our consumers who purchase those tickets and this will be something that we do next fiscal year as well. We are planning to enhance the daily games, the Play3 we are adding another feature to that game sometime in fiscal 2021 and our Play4 game as well. We hope that these additional consumer promotions will help increase awareness for those games and help attain new players. Moving on to line 201, this is what Greg mentioned earlier, the retailer incentive program. This is money that will not be spent if the sales levels are not there. The only way this gets spent is if the sales are increasing, so in our view this is a worthwhile endeavor. It not only helps our retailers and they share in some of this as well, and our sales are growing at the same time.

(P. Birney): On 201, could you walk us through how the incentive program works? I vaguely recall a couple years back having to address a commission controversy and how does that play into the commission structure.

(P. Granato): The basic commission structure is going to be unchanged, this will be in addition to that. What we've developed is four separate thirteen-week programs which will be compared to the prior year quarter. The retailers will be incentivized to beat the sales for the comparable period in the prior year, so if we started this July 1 through September 30, they would have to beat their sales for the same period in the prior year. We do have thresholds because the lottery is part of that growth, we expect that our sales are going to be growing. For example let's just say the first 3%, those sales, we caused, anything above the 3% we'll say that the retailer would be eligible for an additional bonus based on those sales. If they continue and reach a separate threshold, if their sales reach over 5%, they'll be eligible for another incentive. It's basically an incentive program where if their sales increase they'll get the incentive, if they don't increase, there's no incentive paid. Is that helpful?

(P. Birney): Yes, thank you.

(P. Granato): Moving on to line 229, that's the retailer winning ticket bonus. This is a new item from the first version because we had not calculated it yet. This is an estimate based on the number of jackpots that will be won for the Fastplay game that gets rolled out in July. This is something we will award to all of our retailers who sell a jackpot prize, they get a 1% commission on any jackpot greater than \$10,000. So our estimate next year is that we'll pay approximately \$30,000 in retailer winning ticket bonuses for Fastplay.

(P. Birney): This is Patrick. I've noticed there is only one modest change in the line items 238-258, the gaming systems, but if we could just walk through the liquidated damages number, why is that a negative number for fiscal 2020 and why don't we have anything for fiscal 2021, just walk us through these numbers.

(P. Granato): Sure. On fiscal 2020 estimates, as Patrick mentioned, you'll notice we have some credits there, those are typically for system degraded performance, so when the system that SG operates does not operate according to our contract we can sometimes assess liquidated damages

for the performance. We do not budget for that because we do not expect that they will provide a system that does not operate to 100%. We do not put anything in the budget, so anything that is captured there is only for items that have occurred and we have assessed against Scientific Games. A majority of the fee is based on a dollar amount, the gaming system fee is .84% of our sales except for Keno, Keno sales are paid at a rate of 1.57%. Those are both contractual with Scientific Games. In addition to that, we have the items which have been added to the contract, these are the retailer equipment lease and the player activated terminals that is the \$826,000 on line 252 and the \$1,139,000 on line 253. The \$826,000, these are additional terminals, monitors and equipment, above and beyond what is offered through our contract. This is an additional cost, that's a good thing because it means we had more equipment than we had originally acquired through the contract. The player activated terminals, those are the PCTs, the display units, the replacement to the instant ticket vending machines, they offer draw games as well as instant tickets and they will offer all of our Fastplay games. We are excited about that, that will be an additional cost under the gaming system. These are different from our instant ticket vending machines in that they are tied into our gaming system, offered through Scientific Games, the vendor.

Moving on to Marketing and Advertising, line 268, media production, we have a slight increase in version 2, about \$350,000 added for additional media production. You heard me mention the Play3 and Play4 enhancements that are scheduled, I think part of this is earmarked for that as well as Fastplay launching in July. The other big change is Lucky for Life going to seven days a week so I'm assuming a majority of this is to support the changes in those games. Additionally we have another \$150,000 in point-of-sale, line 270, I'm going to ask Greg to address that one.

(G. Smith): Sure, in consultation with the Director of Marketing, Pete Donahue, I asked to add some funds to the POS expense line for a new sign initiative that we are looking at. We have taken on a pilot project relative to a few hundred retailers and so we put provisions into those lines, we were getting a quote on this at the time of the last Finance Committee.

(G. Smith) One other point, Paul made a number of comments with regards to our production costs one thing that is an impact on the \$2.4 million relative to the pandemic is that we have been unable to do any media production for television particularly some that we planned for fiscal 2020. As an example we would have already launched our Fastplay game and we would have already incurred some production expense in fiscal 2020 and because now some of that we will be deferring those production costs into 2021 until we can actually do some production efforts. We basically rolled that money that would have been expensed in 2020 into 2021 so you can see the \$1.7 million projected actual is a bit below what we budgeted for fiscal 2020 and some of that is rolled in to 2021 because we expect to incur these costs and we just didn't get to share it over both years.

(P. Granato): Thank you Greg.

(P. Birney): Before move on, for education purposes, how did your media spend change at all? I see some numbers are down, radio is down a substantial amount budget vs. actual for 2020. How did you approach your spend during the pandemic? That predisposes there was a modification of your media spend during the pandemic, maybe there wasn't?

(G. Smith): The media buying is done on a quarterly basis so certainly we had bought for March well before the pandemic was much of a topic, and then my memory is that by the beginning of March we had committed to April through June. We did reel some of that back in and one of the

other approaches we took was to repurpose some of what we expected to do for game advertising to be more support for front line workers etc., so it was marketing spend with a different message as opposed to marketing spend on selling lottery. So some reduced spending and some repurposed messaging.

(P. Birney): Ok, thank you.

(P. Granato): Ok, moving on to production expenses, I'm on line 382 and line 384 for fiscal year 2020 estimate. These are updated numbers for fiscal year 2020 based on our production of scratch tickets and packing supplies. Not much more to discuss there. Line 397, version 2, we actually have a decline from the first budget and it's \$850,000, the total that we budgeted for fiscal 2021 and this is somewhat of a moving target depending on how long this pandemic lasts. This is a requirement for us to pick up additional tickets in the field so we are budgeting a little bit more than we've seen because we want to have enough money to continue to pick up tickets in the field while our reps are not currently going out into the field to pick up ended games. Again this is something that we don't know how long it will last, hopefully it will be a short-term issue and we'll be back to full staff and picking up tickets on our normal schedule. Nothing much else to discuss for production expenses, these are the costs primarily for the delivery, distribution, and design of the instant ticket portfolio, that's the majority of these costs. The second portion here is really the costs associated with the drawings themselves and the multi-state games, the cost to be a participant in those games, that's about an additional \$600,000 in costs. A total of \$6.2 million proposed for fiscal 2021, there is a small increase for Lucky for Life on line 410 as that game moves to a daily game we expect there to be an additional cost the states will share. It's pretty modest as we all share in that cost so we're projecting about a \$10,000 increase in fiscal 2021. Moving on to page 9 under Salaries and Benefits, the proposed budget has a couple of updated numbers. Most of these numbers are updated based on filling positions that were vacant and we can put that in for the next fiscal year.

(Manny Langella joined the meeting at 10:43 a.m.)

(M. Langella): Sorry everyone, I had a meeting that went way over.

(P. Granato): Good morning Manny. We are on page 9, going over Salaries and Benefits. We have an \$11.1 million budget for next year that's actually a \$13,000 decrease from the first version. On line 432, salaries, that does include a 3.5% general wage increase for union and management and on line 444, the fringe benefits, even though the salaries went down, the fringe benefit line went up \$32,000, again this is based on filling of the positions. The next line highlighted is incentive compensation on line 446, this is based on two components, there's \$27,000 for the sales department incentive program, and an additional \$60,000 for another incentive program. I'll let Greg jump in there if he'd like.

(G. Smith): Thanks, this is Greg. Just from the first version until this one, the Personnel Committee is going to be recommending a management compensation plan to the Board next week and there is a dollar amount in this \$87,000 that anticipates that approval. While you haven't seen it yet, Rob heard the discussion in Personnel and they are going to be recommending something to the Board, so there's a provision of so many thousand dollars there to allow for that to occur.

(P. Maroney): Will we see that information before the Board Meeting?

(G. Smith): Yes, that will be going out most likely on Monday to all Board members.

(P. Granato): Line 449, workers compensation has been adjusted slightly as we got more up-to-date information on our costs for the next fiscal year. It's a modest \$1,000 adjustment, but it has changed from the first version. Moving down to Other Expenses, travel costs on line 536, these are the motor vehicles that we rent from the State of Connecticut through the Department of Administrative Services, it's the fleet costs. We do have a small increase based on the 2020 estimate, although it's something we have budgeted for, we have additional vehicles we're going to be needing as with anticipation of additional staff joining the CLC, as well as the Department of Administrative Services has added GPS tracking on their vehicles and they will be passing that cost along to the agencies. That's an estimate, we're not sure what the costs are going to be that will be transferred to us but we anticipate there will be an increase based on that GPS tracking. Moving on to line 550, postage expense, I know Patti asked about this on our first version, we came up with a \$15,000 proposed budget for fiscal 2021, a decrease of \$7,000 from the prior version. Our office supplies, we have an additional \$15,000 set aside, that went up to \$145,000, that's line 554. Consultant services on line 559, are actually down \$5,000 from the first version and legal expense is estimated with an additional \$50,000, on line 565 to bring it to \$682,000 for the year. I think some of that cost may be moved to the fiscal 2020 estimate, we're not entirely certain on that yet. I know that there are some pending settlements that are going on at this point and there may be a requirement to recognize us that in fiscal 2020 instead of fiscal 2021, depending on when we resolve that. Lastly on lines 672 and 680, these are the estimates of our interest income on the annuity portfolio. These numbers are not affected by the current interest rates, these is interest that is imputed based on what we've already paid, so we purchased the annuity in a prior period and this is the interest that is imputed based on those payments. When we receive let's say a \$5,000 a month payment from the annuity company, roughly half of that annuity payment is earmarked towards interest and have is earmarked towards principal to pay down that annuity portfolio. You'll see also that interest income on line 677 has been adjusted down as well, \$27,000, again that's based on the current interest rate environment that we are in. We don't expect that to be a significant contribution to our performance for the next fiscal year. Lastly, the contributions to the General Fund on line 699, we are anticipating \$350.8 million, that's up about \$600,000 from the first version that we discussed just about a month ago.

The information that we just covered is in the other document that you were provided with as well, with the more conservative sales outlook. The sales numbers changed in that other version and of course you'll see a corresponding change in the prize expense, the commission structure, all of those main components will change variably with those changes in sales numbers however all the other expenses that we just talked about are in that second view of the budget. That was provided basically to give you a range. I don't want to say it is worst case scenario but it is a more conservative look at our sales levels based on a number of uncertainties obviously. That \$1,256,000,000 still yields \$328 million to the general fund, we'll round it to \$330 million. So \$330 million on the more conservative view vs. the version that we just reviewed in detail which was \$350.8 million. As prizes are awarded we may benefit, these are all based on statistical numbers and statistical payouts. Are there any questions on the fiscal 2021 budget or the more conservative look?

(G. Smith): Patti, this is Greg, can I make a comment relative to what Paul just said?

(P. Maroney): Sure.

(G. Smith): Certainly it's a challenge for us to know exactly what to model for revenue going forward. Right now lottery is the only gaming opportunity in the state with sporting events not active and the casinos having just opened at a 25% of normal capacity. We also project that some of the unemployment stimulus that the federal government has provided may be finding its way into some of our sales by virtue of some of the people receiving it having more disposable income than basic unemployment would have provided. We know at this point the federal stimulus money will be disappearing at the end of July, some of the sporting leagues are talking about getting their seasons going in some capacity and possible that will be figured out in the next 30 days. The casinos -- maybe some level of normality will start to show up differently than the first four days so far. The language for a motion for this budget you may hear Patti say is that we are giving you these two views and if you are interested we are going to say let's approve a budget, the one that we've reviewed, not the real conservative one, reserving the authority of the Finance Committee to direct the Lottery to reevaluate the budget should there be any significant changes due to any further easing of restrictions. I don't know that that would happen in June but we can do that as we move along. What we've seen so far, the draft version 2 that Paul reviewed, feels like the most normal thing that the Lottery could get behind right now to make a recommendation to you.

(P. Maroney): Are there any concerns that you haven't expressed that might impact it? Anything you don't reflect in the numbers that you're watching? I want to be sure that whatever we have here shows all of the information that can possibly have pulled. I know that this is a very strange time and with so many things in flux, I just want to be sure there isn't anything that we've missed.

(G. Smith): To be honest with you, I feel good about this. I feel we have taken a lot into consideration and we have provisioned ourselves to operate normally in many capacities. Example being more Keno monitors and servers for further expansion into traditional convenience stores, a retailer incentive program which will compare sales growth, all of those things that we think will show a more return to normal. Our sales for the month of May were better than last year and better than budget. And we've seen that roll over into this first week in June. There are a number of things causing that which are unaddressed right now which I mentioned -- casinos' return to operation, other gaming opportunities are not in place yet. I think our answer is, we like what we're showing you, we thought through every major factor that we could consider, and we want you and the Lottery to reserve the thought to reevaluate this once these other easing of restrictions occur because that's really when we'll be able to see it. It's hard to say 'sporting events will return August 1st and we'll lose 10% of our revenue', I just don't have anything to base that on.

(P. Maroney): I understand.

(G. Smith): It is the oddest recommendation or thoughts that we can run into with the budget where you'd say 'what are you basing your revenue on' and the reply is 'hard to say'. We've seen a very pleasant May and June so far and while we're up over last year for that time period, we're actually projecting more of a match to last year with these numbers, including pandemic numbers.

(P. Maroney): Anyone else have any questions?

(P. Birney): This is Patrick, no I don't have any questions, I just think it's interesting that year-over-year with the inclusion of the bottom falling out in March and April because of the pandemic numbers -- again, I understand and I appreciate it.

(M. Langella): This is Manny Langella. No questions from my end, I definitely appreciate the transparency and it's very interesting to see the impact from COVID and how it potentially puts us in a position where we'll have to reevaluate, but it's a good thing that sales are up.

(P. Maroney): So if we are through with our discussion and there is nothing else to add are we ready to move forward on this budget?

(P. Birney): Are you looking for a motion?

(P. Maroney): I will provide a motion if we are ready.

(P. Birney): This is Patrick, I have no further questions.

(M. Langella): No further questions from Manny.

(P. Maroney): After due consideration, the Finance Committee recommends to the CLC Board that the CLC Board adopt this FY2021 Budget. Should there be any significant changes resulting from the easing of pandemic restrictions, the Finance Committee may instruct the CLC to reevaluate the budget for potential adjustments.

(P. Birney): I'll second that, Patrick.

(P. Maroney): Any discussion on the motion? Hearing none, all those in favor?

(All): Aye.

(P. Maroney): Thank you, the motion passes. I believe that is the last item on our agenda.

IV. Adjournment:

(P. Birney): Madam Chair, I'll move to adjourn.

(P. Maroney): Thank you. A second?

(M. Langella): Second. Manny Langella.

(P. Maroney): All in favor?

(All): Aye.

(P. Maroney): Thank you everyone. We are adjourned at 11:00 a.m.

Respectfully submitted,

Paul Granato
Chief Financial Officer