



**Meeting
of the Board of Directors of the
Connecticut Lottery Corporation**

Held on
Thursday, October 10, 2024 at 12:00 p.m.
at the
Connecticut Lottery Corporation
15 Sterling Drive
Wallingford, Connecticut 06492

Board Members Present: Wilfred Blanchette, Jr., Vice Chair; Michael Cicchetti; Douglas Dalena; Matthew Daskal; Steven Ezzes; Ajay Gupta; James Heckman; Andrew Meehan; and Margaret Morton (all via Zoom teleconference).

Staff Members Present: Frank Suarez, President & CEO; Melissa Durso; Jodi Ganzer (via Zoom teleconference); Catherine Martorella; Lauren Perrotti (via Zoom teleconference); Brett Steen; Mark Walerysiak; Andrew Walter; Art Mongillo; and Annmarie Daigle.

I. Welcome:

Vice Chair Blanchette welcomed the Board members and called the meeting to order at 12:02 p.m.

II. Approval of August 8, 2024 Board Meeting Minutes:

On a motion by Mr. Cicchetti, seconded by Mr. Gupta, the minutes of the August 8, 2024 Board Meeting were unanimously.

III. Approval of September 12, 2024 Board Special Meeting Minutes:

On a motion by Mr. Cicchetti and seconded by Mr. Gupta, the minutes of the September 12, 2024 Board Special Meeting were approved with Mr. Ezzes and Mr. Meehan abstaining as they did not attend.

IV. Approval of September 23, 2024 Board Special Meeting Minutes:

On a motion by Mr. Cicchetti and seconded by Mr. Gupta, the minutes of the September 23, 2024 Board Special Meeting were approved with Mr. Gupta abstaining as he did not attend.

V. Lottery Reports:

a. Financial Report:

Financial report provided by Ms. Martorella. She noted that for Lottery through August of 2024 total sales were \$222.6 million, a shortfall of 2.5% from budget, due entirely of jackpots that were not at the same level as last year. Operating expenses were \$4.2 million and \$62 million was transferred to the General Fund, ahead of budget by 1.3%.

Sports Betting sales through August were \$42.5 million, exceeding last year by 35% and the hold is on par compared to last year. There has been reallocation in expenditures with our new operator.

b. Marketing Report:

Mr. Steen provided the Marketing Report noting instant ticket sales are up. He then discussion upcoming launches including holiday, Fastplay and Game of Thrones as well as the new Keno campaign. He stated that iLottery daily sales performance is accelerating but we will need to average just under \$30,000 a day to hit the goal of \$10 million for the year. Also focusing on promotions and specialized marketing as well as CRM to communicate with players and make them aware of promotions and offers that are available.

d. President's Report:

Mr. Suarez provided the President's Report. He was pleased about the iLottery trajectory and the sales moving upward but noted that in Connecticut we are unable to allow customers to register or purchase tickets on the mobile website, they have to download the app. This is due to a regulatory requirement and because of the extensive geolocation requirements here at the time of wagering and pretty regularly during the iLottery experience. IGT will need to update its system in order for us to have the capability.

Mr. Walter then reported on Sports Betting activities, most notably that we have recently amended our contract with Sportech to allow us to open a facility in Norwalk at the Winner's location. We continue to look for other locations as well. He noted that by year end we will begin lottery sales and claims at Total Mortgage Arena and the XL Center.

Mr. Suarez then mentioned the upcoming Mega Millions changes which go into effect on April 5, 2025. The price point will be \$5 with the Megaplier built in, and jackpots will start higher at \$50 million.

VI. Committee Reports:

a. Finance Committee:

The Finance Committee met on September 26 to review the Sports Betting budget which the Committee voted to recommend to the full Board for consideration. Ms. Martorella provides details regarding the budget which includes 31% growth for FY2025. Gross profit of \$12.7 million is estimated with operating expenses of \$3.5 million.

b. Executive Committee:

Ms. Durso provided an Executive Committee update. The Committee held its regular meeting on September 12 to receive an update on sales and profits, games, personnel and a regulatory update. The Committee voted to approve the regulatory settlement and recommended that it move forward to the Board for consideration and vote.

VII. Executive Session:

On a motion by Ms. Morton and seconded by Mr. Ezzes, the Board moved to Executive Session at 12:36 p.m. to discuss:

- a. Review of Draft Sports Betting Budget
- b. Regulatory Update

All lottery staff present remained for item a. Mr. Suarez and Ms. Durso remained for item b.

VII. New Business:

a. Discussion and Action, if any, on items discussed during Executive Session:

Upon returning to public session at 1:33 p.m., Vice Chair Blanchette stated that no votes or actions were taken while in Executive Session.

Ms. Durso then read the following resolution:

Resolved, that after due consideration and on the recommendation of the Finance Committee, the Board of Directors hereby approves the Fiscal 2025 Sports Betting Division Budget as presented.

Motion made by Mr. Ezzes and seconded by Ms. Morton and passes unanimously.

b. Review of Draft Board Meeting Schedule for 2025:

Draft meeting schedule for next year was discussed, noting that the Board would vote on it at the next meeting.

VIII. Adjournment:

Vice Chair Blanchette thanked everyone for attending and noted that the next regular meeting is scheduled for December 12, 2024.

On a motion by Mr. Cicchetti, seconded by Mr. Heckman, and unanimously approved, the meeting adjourned at 1:36 p.m.

Respectfully Submitted,

Melissa Durso
Corporation Secretary
CT Lottery Corporation