



**DRAFT MINUTES**

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

Held on  
Thursday, August 8, 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; Matthew Daskal; Douglas Dalena; Steve Ezzes; Ajay Gupta; James Heckman; Andrew Meehan; and Margaret Morton (all via teleconference except for Mr. Blanchette).

Staff Members Present: Frank Suarez, President & CEO; Gregory Smith, Special Consultant; Melissa Durso; Jodi Ganzer; Catherine Martorella; Lauren Perrotti; Brett Steen; Mark Walerysiak; Andrew Walter; and Annmarie Daigle.

I. Welcome:

Vice Chair Blanchette welcomed the Board members and called the meeting to order at 12:01 p.m.

II. Statement on the Passing of John Flores:

Mr. Blanchette and Mr. Smith each read heartfelt statements on the passing of John Flores, who was the Treasurer's designee, and served on the CLC Board for four years.

Mr. Blanchette then introduced CLC's new President & CEO, Frank Suarez. Mr. Suarez thanked Mr. Blanchette for the warm welcome and expressed his commitment to the CLC's mission of growing revenue for the state and focusing on players both from a responsible gaming perspective and the player's overall experience. Mr. Suarez looks to build the CLC brand and elevate the perception of the lottery in the state with communication and transparency being key. He then offered a special thank you to Greg Smith for his assistance in the transition and his leadership of the lottery for the past six years.

III. Approval of June 13, 2024 Board Meeting Minutes:

On a motion by Mr. Dalena and seconded by Mr. Gupta, the minutes of the June 13, 2024 Board Meeting were approved with Mr. Meehan abstaining as he did not attend.

IV. Lottery Reports:

a. Finance Report:

Ms. Martorella provided the Financial Report, noting that sales for FY2024 were \$1.4 billion, short of budget by just 1% but that popularity in 2nd Chance and iLottery has things moving in the right direction.

She stated that marketing and advertising costs were down \$2.0 million from budget; with \$200,000 saved in production expenses. Total cost of sales were down \$12.7 million from budget. Total gross profit was \$415 million, down from budget and last year with \$384 million to transfer to General Fund which was \$6.0 million ahead of budget. She also noted that we are currently mid-way through the audit process with the new firm, Whittlesey and that results should be available at the next Board meeting.

She reported that Total Sales for iLottery thus far this year are \$131.0 million and that the General Fund transfer is currently \$35.5 million.

Sports Betting total sales for the year were \$266 million, which was 6% growth from prior year. Price expense was \$243 million which resulted in an overall hold of 9% which was identical from last year. Sports wagering tax was \$2.8 million. For the current fiscal year, overall sales are at \$23 million.

b. Marketing Report:

Mr. Steen gave the Marketing Report, namely instant ticket trends which had seen a slow start last year and now have seen an improvement, part of this due to the 2nd Chance platform being live. There are currently six games on the platform, 21,000 active players (47% increase since the June update), 47,000 app downloads, and 220,000 entries.

Mr. Steen then provided clarity regarding iLottery performance, stating that June 10-24 was an intentional soft launch period with planned restrictions around hours of operation, and number of registrants; during the period of June 25 through July 14 CLC was able to provide some marketing support; and that finally on July 15 full marketing support was provided and we saw \$20,000 in sales per day in sales. Our goal is \$28,000 per day to hit the target for the first year. Keno is the strongest selling game and CLC is seeing nice sales on the local games. CLC is expecting \$2.0 million in iLottery profits this year. With Powerball and Mega Millions jackpots rising we will see stronger sales growths on those games and more players registering.

c. Sports Betting Report:

Mr. Walter provided the Sports Betting report, noting that June and July both saw a very solid increase in online sales. Retail saw a slight decrease of 8% and we are getting more Omni channel play than in the past. The Fan Cash rewards program is available in retail and online and players can redeem the points for free bets that can be used online which is driving people to download the app.

He next reported on retail product enhancements including increased parlay legs which we believe will be popular over football season. He also noted that we took a decent number of Olympic related event bets in small dollar amounts.

d. President's Report:

Mr. Suarez provided an update on his first week at CLC, which he called his listen and learn phase. He shared comments about the draw studio being converted in-house and then asked Ms. Perrotti to provide an iLottery update.

Ms. Perrotti reiterated that registrations continue to rise and that there was some confusion in the press as it relates to registrations. It does appear that some players are updating or downloading the app and then stopping there. They may be taking one step to verify their email, but then stop there and not place a wager. Players are in fact winning, we have had a high tier winner of \$71,000 and then many low tier winners have won approximately \$300,000. Registrations are doing well and we continue to use player

feedback to improve our processes. She also noted that Connecticut is unique in that it requires a quiz as a layer of identification protection and that is not something used in other states.

Mr. Suarez and Ms. Perrotti commented on the hindrance of the app not being active yet on Google Play and not being available on androids, noting that it is very difficult to get Google to change the fact that we are marked as unable to provide iLottery.

V. Committee Reports:

a. Audit Committee:

Mr. Meehan provided an update, noting that the Audit Committee met on July 30th. Notice of Purchasing Exemption for the CRM platform vendor was discussed. Executive Session heard an update on iLottery and IT Security. No votes or actions took place.

b. Executive Committee:

Mr. Blanchette noted that the Executive Committee met on July 11th. There was a discussion about budget, iLottery and Bylaws. No votes or actions took place.

VI. Executive Session:

On a motion by Mr. Ezzes and seconded by Mr. Meehan, and unanimously approved, the Board moved to Executive Session at 12:48 p.m. to discuss:

- a. iLottery Update
- b. Discussion of Proposed Bylaws Changes

All CLC staff in attendance remained for Executive Session.

VII. New Business:

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

Upon returning to public session at 1:02 p.m., Vice Chair Blanchette stated that no votes or actions were taken while in Executive Session.

VIII. Adjournment:

Mr. Smith provided some final remarks about his tenure with CLC and thanked the members of the Board for their partnership and support.

Vice Chair Blanchette thanked everyone for attending and noted that the next regular meeting is scheduled for October 10, 2024.

On a motion by Mr. Daskal, seconded by Mr. Dalena, and unanimously approved, the meeting adjourned at 1:05 p.m.

Respectfully Submitted,

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Melissa Durso  
Corporation Secretary  
CT Lottery Corporation