

**Finance Committee
Special Meeting**

November 28, 2012
12:00 p.m.
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

Board Members: Robert Morgan, Chairman of the Finance Committee; Gale Mattison, Frank Farriker, Martin Stauffer, and Robert Dakers

Staff Members: Anne M. Noble, President & CEO; Paul Granato, Diane Patterson, Chelsea Turner

Call to Order: Chairman Morgan called the meeting to order at 12:40 p.m.

- I. Approval of Minutes: On a motion by Mr. Mattison, seconded by Mr. Morgan, and unanimously approved, the *“Minutes of the, June 27, 2012 meeting be approved.”*

- II. Chairman Morgan requested that Mr. Granato take the Committee through a review of the financial statements for the quarter ended September 30, 2012. Mr. Granato reported that for the first quarter of FY13, the Corporation was on budget with regard to sales revenue, although the contributions of revenue by game differed from budget. Mr. Granato also reported that the prize expense was above budgeted levels. He stated that during the month of September, the daily numbers games experienced a higher payout percentage primarily due to repeating numbers and special frequently played four digit numbers. Mr. Granato reported that the General Fund transfers were behind budget by nearly \$6.0 million due to a timing issue with the recognition of unclaimed prizes and the aforementioned higher prize expense. He informed the Committee that the most recent weekly transfer, completed November 28, brought the actual transfers \$1.2 million ahead of budget.

- III. Executive Session:
None

- IV. Old Business:
None

- V. New Business:
Ms. Noble addressed the committee with regard to Retailer Premium Points (RPP) and General Fund Transfers. She clarified details regarding orientation of the Retailer Premium Points Program. Ms. Noble also reviewed with the Committee the timely transfers to the General Fund of unclaimed prizes.

- VI. Adjournment:
On a motion made by Mr. Morgan, seconded by Mr. Mattison and unanimously approved, the meeting was adjourned at 1:25 p.m.

Respectfully submitted,

By: Paul A. Granato
Chief Financial Officer
Connecticut Lottery Corporation