



**Special Joint Meeting of the  
Executive and Audit Committees of the  
Connecticut Lottery Corporation**

Held on  
Tuesday, November 19, 2019 at 3:00 p.m.  
at the  
Connecticut Lottery Corporation  
777 Brook Street  
Rocky Hill, Connecticut 06067

Committee Members: Patrick Birney, Vice Chair of the Board and Chair of the Finance Committee (via teleconference); Wilfred Blanchette; John Flores; Patti Maroney, Chair of the Finance Committee; Margaret Morton, Chair of the Legislative and Games Committee (via teleconference); and Michael Thompson, Chair of the Audit Committee (via teleconference).

Staff Members: Gregory Smith, President and CEO; Matthew Stone; Michael Hunter; Jodi Ketchale; Mark Walerysiak; Tara Choze; and Annmarie Daigle.

Guests: Lynda Brandt, Audit Supervisor, Gaming Division, Department of Consumer Protection.

I. Welcome:

Vice Chair Birney called the Executive Committee meeting to order at 3:02 p.m., and Mr. Thompson called the Audit Committee meeting to order at the same time.

II. Approval of October 4, 2019 Audit and Executive Committee Special Joint Meeting Minutes:

On a motion by Ms. Morton and seconded by Mr. Thompson, the minutes from the October 4, 2019 Audit and Executive Committee Joint Meeting were approved, with Mr. Blanchette abstaining.

III. Sales Performance and General Fund Transfer Update:

Mr. Smith provided an update of sales performance and general fund transfers through October 31, 2019. Sales of Connecticut games, all games except Powerball, Mega Millions and Lucky for Life, were \$15 million ahead of last year and \$7 million ahead of budget. Instant games were up \$1 million from last year and \$4 million under budget. Daily games, including Keno and Lotto, were \$14 million over last year and \$11 million over budget. National games, Powerball, Mega Millions and Lucky for Life, were down 55% from last year, mainly due to the \$1.2 billion Mega Millions jackpot in October 2018, and 36% below budget. General Fund Transfers were \$5 million ahead of last year and \$7 million below budget.

IV. Cyber Security and Data Privacy Update:

Mr. Stone reported on the efforts of a recently established in-house data privacy and security committee, which is tasked with being a resource for the CLC regarding data privacy and cyber security issues. Among the committee's initial tasks are inventorying the CLC's sensitive data, establishing a data breach response plan and reporting to senior staff progress and next steps. Mr. Hunter stated that the Information Technology department is working with the committee to protect personally identifiable information (PII) by upgrading the CLC internal servers and applications to the latest versions, and that the web servers would be updated by year-end. In addition, a vulnerability study by an outside vendor is planned for after January 1.

V. Task Force Update:

Mr. Smith noted that the Task Force last met on November 14<sup>th</sup> and reviewed the first draft investigative report. The Task Force is planning to meet perhaps as early as next and should be ready to review the report with the full Board at the December 12<sup>th</sup> meeting.

VI. Discussion of Two Year Plan:

Mr. Smith reported on a recent meeting with the Department of Consumer Protection (DCP) Gaming Division leadership at which the Lottery senior staff outlined various upcoming initiatives, above and beyond the normal, current work, that will require DCP involvement.

VII. Review and Discussion of Existing Language with Regard to International Games:

Mr. Smith gave an overview of a recent meeting of the Powerball Game Group with regard to exploring the possibility of adding international entities to that game. Connecticut statutes allow the Lottery's continued participation in games in which government-authorized lotteries operated outside the United States also participate.

VIII. Executive Session:

At 3:33 p.m., on a motion made by Mr. Blanchette and seconded by Ms. Maroney, the Committees moved to Executive Session to discuss:

- a. Pending Claims and Litigation: Civil Suits and CHRO Matters

Mr. Smith, Mr. Stone, and Ms. Ketchale were invited to stay for the Executive Session.

At 4:33 p.m., the Committees reconvened in regular session, with Vice Chair Birney noting that no votes or actions took place during Executive Session.

IX. Adjournment:

On a motion made by Ms. Morton and seconded by Mr. Thompson, the Committees adjourned at 4:33 p.m.

Respectfully Submitted:

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Matthew Stone  
Corporate Secretary  
Connecticut Lottery Corporation