

## **Finance Committee**

Special Meeting

June 21, 2011  
1:00 p.m.

held at the  
Connecticut Lottery Corporation  
777 Brook Street  
Rocky Hill, Connecticut

Board Members: Robert Morgan, Chairman of the Finance Committee; Robert Dakers, Gale Mattison, Martin Stauffer, and Patrick Birney, who participated via telephone conference call.

Staff Members: Anne M. Noble, President & CEO; Diane Patterson, Chelsea Turner, and John Ramadei.

Call to Order: Chairman Morgan called the meeting to order at 1:00 p.m.

I. Approval of Minutes:

On a motion by Mr. Stauffer, seconded by Mr. Mattison and unanimously approved, it was *“Resolved, that the Minutes of the May 13, 2011 Finance Committee meeting be approved.”*

II. Executive Session to Review Draft Proposed Budget for Fiscal Year 2012 and Pending Claims/Litigation:

At 1:05 p.m., for purposes of discussing the Draft Proposed Budget for Fiscal Year 2012 and Pending Claims/Litigation, Mr. Stauffer made a motion to move into Executive Session. The motion was seconded by Mr. Mattison and unanimously approved. All of the staff members present were invited to remain for the Executive Session discussion.

At 2:45 p.m., the Executive Session ended, and the Committee returned to regular session. Chairman Morgan stated that no actions nor votes had taken place during Executive Session.

Upon returning to regular session, Mr. Stauffer made a motion to present the Draft Budget for Fiscal 2012 to the full Board of Directors at the June 23, 2011 meeting with a recommendation of the Finance Committee for approval. The motion was seconded by Mr. Mattison and was unanimously approved.

Mr. Dakers left the meeting due to a previous commitment.

III. Annuity Invitation to Bid:

Ms. Noble and Mr. Ramadei presented a summary of a recent Invitation to Bid (ITB) regarding annuity contracts for several winners of “For Life’ Scratch games and the factor for the Classic Lotto jackpot game.

A concern was received from a broker representing an insurance company that failed to qualify for the bid, alleging that the inclusion of two types of games in a single ITB created a non-competitive situation. Ms. Noble briefed the Committee on the extensive investigation of the concern by the Lottery, including a security investigation and conferences with DOSR and the Insurance Department. She reported that the bid was awarded after the Insurance Department and the DOSR approved the bid configuration and results. The Lottery will be meeting with the industry and the concerned party to determine how the Lottery can generate more interest in bids and to better understand their positions regarding the annuity bids. The Lottery will also follow up with the Insurance Department and DOSR on how qualifications are established and set. The Lottery will report to the Committee later with an update on what is learned from these meetings.

IV. Old Business:

None

V. New Business:

None

VI. Adjournment:

On a motion made by Mr. Stauffer, seconded by Mr. Mattison and unanimously approved, the meeting was adjourned at 3:00 p.m.

Respectfully submitted,

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By: Anne M. Noble  
President and Chief Executive Officer  
Connecticut Lottery Corporation