



DRAFT MEETING TRANSCRIPTION

Executive Committee

Special Meeting

July 9, 2020 at 10:00 a.m.

via teleconference

Committee Members:

Robert Simmelkjaer, Board Chair; Wilfred Blanchette, Jr., Chair of the Personnel Committee; Patti Maroney, Chair of the Finance Committee; and Margaret Morton, Chair of the Legislative & Games Committee.

Staff Members:

Greg Smith, President & CEO; Matthew Stone; and Annmarie Daigle.

I. Welcome:

(R. Simmelkjaer): Hello, my name is Rob Simmelkjaer, I am the Chairman of the Board of the Connecticut Lottery Corporation, calling to order this Special Meeting of the Executive Committee on July 9, 2020 at 10:09 a.m. I will hand it over to General Counsel Matt Stone to discuss the rules regarding telecommunication for this meeting.

(M. Stone): Thank you Mr. Chairman. This is Matt Stone, General Counsel for the Lottery, and we continue to operate under Governor Lamont's Executive Order regarding public access to meetings. There is no in-person public attendance at these meetings so the public is listening in on their own phone line. When the Committee goes into Executive Session, the public phone line will be taken out of the room. That line will be kept open and active and then brought back into the meeting room after the Executive Session. A reminder that speakers need to identify themselves by name before speaking; this is particularly important for Board members when making motions, seconding motions, voting no or abstaining from a vote. This is important so that the public knows who is taking what action. And finally, the audio of this meeting is being recorded and we will post a transcript of the meeting on our website which will serve as the minutes. That is all, back to you Mr. Chair.

II. Approval of the May 28, 2020 Executive Committee Special Meeting Minutes:

(R. Simmelkjaer): Thank you very much. The first item on the agenda is to approve the minutes of the May 28, 2020 Executive Committee Special Meeting. If everyone has had a chance to review those, I'll ask for a motion to approve.

(W. Blanchette): Will Blanchette, so moved.

(P. Maroney): Second.

(R. Simmelkjaer): Thank you. That was Will Blanchette with the motion and Patti Maroney with the second. All those in favor of approving the minutes?

(All): Aye.

(R. Simmelkjaer): Any opposed? Hearing none, the minutes are approved.

III. Update on Operations:

(R. Simmelkjaer): Next on the agenda is an update on lottery operations and for that I'll turn it over to our CEO, Greg Smith.

(G. Smith): Thank you Mr. Chair, this is Greg Smith. I am going to touch on a few different topics for you in this update. Just regarding this Committee – this Executive Committee serves as a liaison between myself and the Lottery Board and one of the requirements is for us to keep you updated and informed on the management of the company and company operations and my question to this group is are you hearing enough about our ongoing management and operations through the Committee meetings and Board meetings to satisfy your needs and interests and if not, are there areas where you want to be more fully informed or have us go into deeper detail to reach that level of satisfaction?

(R. Simmelkjaer): I will let others answer that question as Greg and I speak on a weekly basis I probably have a little bit more information than others on a regular basis.

(G. Smith): This is Greg. One last framing of that – this isn't just saying have we kept you up to speed on the different adjustments related to the pandemic, this is really just about every day working and communications that we have.

(W. Blanchette): Greg, because I'm on the Personnel Committee it would be interesting to me to learn of any dissonance between management and labor as it occurs.

(G. Smith): Ok. Any other areas or topics that we should expand on more fully?

(P. Maroney): This is Patti, I can't think of any at this point.

(M. Morton): Nor can I and if I have a question, it gets answered and I appreciate that. I agree with Will; it's good to know what is happening and I am very satisfied.

(G. Smith): Thank you. Thinking of the different responsibilities of this Committee, that is one of them, and I didn't want to think we were just moving along without asking.

(R. Simmelkjaer): The only thing that I could think of is if there are any notable changes to security, or anything related to drawings -- whether a process, a procedure or personnel -- that would warrant a discussion.

(G. Smith): This is Greg Smith. The next topic of the update is so you are aware in case you hear it in another venue. At the end of 2019 we prepared a two-year plan for the Department of Consumer Protection so they could see the workload that we expected to engage with them on and some additional work that would come their way for review and approval; an advanced view if you will, so they could recognize whether if they thought they were properly resourced and prepared for this volume of work. We had that discussion at the end of 2019 and then in a recent conversation with them we learned that they would be posting two positions to support the regulatory oversight of the CT Lottery. One of those positions will be a new position and one will be a replacement for an existing staff member who was either retiring or changing jobs, I don't know the reason. We were not surprised by this but wanted you to know in case you heard that DCP was increasing their staff to regulate the Lottery, you'd know where that came from. We support this effort and want to make sure the different things we are going to be bringing forward to them, that they are properly prepared for and that we gave advanced notice. We do pay for the expenses DCP incurs for regulating the Lottery. So this new position would be an

additional expense but is also to support us continuing to try to grow the revenue for the State. Are there any questions on that before I move on?

Hearing none, another short update is that we have been talking about getting a commercial broker to help us look around and understand what the marketplace and what requirements are for when our lease runs out on this building. We did just post the RFQ for a commercial broker, which went out last week. I wanted to make sure you knew of that.

The last topic regarding operations and is really more specific for the Board to be thinking about and it's regarding planning meetings for Board and some of the committees. With a regularly-scheduled meeting there is the opportunity to add to or edit the agenda. In a special meeting we must follow the agenda as prepared with no ability to add topics to it. One of the thoughts we had, by December we set the schedule of meetings for the Board for the next calendar year and we were talking internally about whether there might be some value for some of the committees, potentially the Audit Committee, potentially the Legislative and Games Committee, to establish some standard plan for meetings, either throughout the whole year or certain parts of the year so that if some topics arise after we prepare the agenda we could include them in the discussion during that upcoming meeting. It's not that you need to take action now but wanted to make sure you were thinking about that so that we could prepare a schedule of meetings straight through the year for let's say the Audit Committee -- so that a variety of topics that come for that group if we didn't think of discussing it when we prepared the agenda we could actually add it to the agenda during the meeting even though we already prepared and posted the agenda. Again, no action on that yet but wanted to let you know we are giving that some thought and will engage with each of the Committee chairs if we think that is a good course of action and see if they feel the same way and if so we will make sure that each of those meeting schedules are prepared and voted on by the Board for the December meeting. Any questions on that?

(R. Simmelkjaer): Makes sense.

(M. Morton): Thank you.

(G. Smith): That was the total range of topics that we wanted to include in this update on operations, so unless there are other questions I'll turn it back to you Mr. Chair.

(R. Simmelkjaer): No questions? Ok, we have three items to discuss during Executive Session.

IV. Executive Session:

a. Pending claims regarding vendor contract

(R. Simmelkjaer): Can I have a motion to go into Executive Session?

(P. Maroney): So moved. This is Patti.

(W. Blanchette): Second, Will Blanchette.

(R. Simmelkjaer): Thank you very much. All those in favor of going into Executive Session?

(All): Aye.

(R. Simmelkjaer): Thank you, with that we will remove the public line for Executive Session at 10:24 a.m. and then bring it back for item five of the agenda.

(G. Smith): This is Greg Smith. We are going to take the public phone line out of the room now and will bring it back in when we come out of Executive Session. Matt Stone and I will stay for the first two items of Executive Session, then for the third item it will be just me.

(R. Simmelkjaer): This is Chairman Simmelkjaer. We are back in public session at 11:09 a.m., no votes were taken during the Executive Session and we are back in the main agenda of the meeting, item number five.

V. Discussion and action, if any, on items discussed during Executive Session

(R. Simmelkjaer): As we've just discussed, no action or votes were taken in Executive Session.

VI. Adjournment:

(R. Simmelkjaer): We have reached the end of our agenda, I'd like to ask for a motion to adjourn.

(M. Morton): This is Peg, so moved.

(P. Maroney): Patti, second.

(R. Simmelkjaer): All those in favor of adjourning?

(All): Aye.

(R. Simmelkjaer): Ok, that adjourns our special meeting of the Executive Committee at 11:11 a.m. Thank you everyone.

Respectfully submitted,

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation