



**DRAFT MINUTES
Regular Meeting
of the Board of Directors of the
Connecticut Lottery Corporation**

Held on
Thursday, October 8, 2026 at 12:00 p.m.
at the
Connecticut Lottery Corporation
15 Sterling Drive
Wallingford, Connecticut 06492

Board Members Present: Robert Simmelkjaer, Board Chair; Michael Cicchetti (via teleconference); Steven Ezzes; Ajay Gupta (via teleconference); James Heckman (via teleconference); Ginny Kim (via teleconference); Manny Langella (via teleconference); Jerald Lentini (via teleconference); Andrew Meehan (via teleconference); and Margaret Morton.

Staff Members Present: Frank Suarez, President & CEO; Lauren Perrotti; Catherine Martorella; Jodi Ganzer; Matthew Pezzulich; Jeevan Vittal; Angelica Mack; Frank Rinaldi; Steve Wagner; Annmarie Daigle; and Olga de la Cruz (via teleconference).

I. Welcome:

Chair Simmelkjaer welcomed the Board Members, noting that Ms. Ginny Kim was appointed to serve as the Treasurer's designee for today's meeting as Mr. Dalena was not available. He called the meeting to order at 12:02 p.m.

II. Approval of August 13, 2026 Board Meeting Minutes:

On a motion by Mr. Lentini and seconded by Mr. Cicchetti, the minutes of the August 13, 2026 Board Meeting were approved with Mr. Gupta, Mr. Langella, and Mr. Meehan abstaining as they were not in attendance.

III. Lottery Reports:

a. Financial Report:

Catherine Martorella, CFO, provided a financial update for FY2027 through August 31, 2026. Total sales for Lottery and Sports Betting is \$321.7 million, 2.3% below budget, but 7.8% above the same period last year. For the first two months of the fiscal year, Lottery sales are \$234 million, 1.7% above budget, and 3.2% above last year. Last year Powerball and Mega Millions jackpot rolls played a major role in sales. Thus far for FY2027, retail sales are \$230.9 million and iLottery sales are another \$3.1 million.

Prize Expense has been running a bit higher than budget at \$151.7 million; Play3 has paid out more than \$1 million in prizes four times this year, Play4 over \$3 million in prizes, and Cash5 has been won 19 times over the past nine weeks.

Retailer Commissions are \$12.9 million, Gaming Systems Costs are \$2.9 million, Marketing and Advertising at \$1.7 million, and Production expenses at \$800,000 – all together at approximately \$170 million, 4% above budget and 6.2% above last year. Gross profit is approximately \$64 million, 3.8% below budget, and \$2.6 million below last year. General Fund Transfers of approximately \$59.9 million, 0.5% below budget and \$1.8 million below last year.

Sports Betting continues to see growth in wagering activity compared to last year. Total sales are \$87.7 million for the first two months of the year, 11.6% below budget, 22.2% higher than last year. CLC is seeing impacts from the Prediction Markets that is affecting the numbers on Sports Betting. Prize Expense is \$79.7 million. Marketing Expense is \$5.2 million – with the increase due to baseball playoffs and the start of football season. Total cost of sales is approximately \$85.7 million, 11.2% below budget, 21.9% higher than last year. Gross profit is \$2 million, 26.1% below budget, or \$500,000 higher than last year.

Combined Lottery and Sports Betting, gross profit is \$66 million, \$2 million below last year. Combined Operating Expenses \$5.7 million, \$650 million below budget. Profit Transfers of \$60.8 million to the state for the first two months, 2.8% below last year.

b. Marketing Report

Mr. Rinaldi shared that the scratch ticket sales for the first quarter of FY2027 are \$185.8 million, 6.5% over last year. Through October 4, quarter two sales are \$8.5 million, 7.6% over last year.

On September 1, CLC launched a family of Monopoly scratch tickets which sold well the first 5 weeks and continue to perform well in their respective price points of \$10, \$5, \$2 and \$1. This game is supported by animated digital advertising, TV and radio, retailer counter mats, GT28 banners, and customer display units.

On October 6, CLC launched \$1 Tic Tac Multiplier, \$2 Winner Winner Chicken Dinner, \$3 Treasure Hunt, \$5 Connecticut Apizza, and \$10 X The Money; the first time CLC launched five games on a First Tuesday.

The \$5 Connecticut Apizza ticket was created as a connection to our state, and to celebrate what makes Connecticut great. The images on the tickets are from three different pizzerias in CT; Sally's Apizza, Frank Pepe Pizzeria Napoletana and Modern Apizza. This ticket is supported by retailer flyers, retailer ticket dispenser toppers, GT28 screen animation, TV and radio ads, billboards, and an animated digital ad. CLC also participated in a couple of promotional events; A1 Toyota Apizza Feast, pizzeria pop-up events at Modern and Sally's, and a ticket launch press conference on Wooster Street Archway with Lieutenant Governor Susan Bysiewicz and Congresswoman Rosa DeLauro.

He then noted upcoming instant ticket launches, with five new games on November 3; \$10 Holiday Treasure, \$5 Holiday Luck x50, \$3 UConn Husky Holiday, \$2 It's Gold Outside, and \$1 Holiday Cash.

Mr. Rinaldi then reviewed the Powerball Xs & Os draw game; which began sales on September 8 with the first drawing taking place on September 13.

c. President's Report:

Mr. Suarez asked Ms. Martorella to go over the new ERP Implementation which is part of the CLC's modernization and strategic plan. She briefly went through the implementation noting that CLC is currently using Dynamics Great Plain for financial, which will sunset December 31, 2029. CLC went out to a bid for an ERP system for the entire CLC corporation – decided on Acumatica. Phase 1 will include finance, budgets and forecasting, cash management, purchasing and dashboard and metrics. Future phases will include warehouse management, equipment management, inventory solution expense management contract management and time/PTO management. The anticipated go-live date is November 1, 2026.

Mr. Suarez then discussed Prediction Markets which has an impact on Sports Betting. Prediction Markets allow a consumer to buy a contract tied to an event that will occur. The products are similar to sports books and include money line, spreads, totals, player props, futures, parlays, etc. It has become a Federal vs. State jurisdiction case with the issue remaining unsettled nationally. CLC will stay engaged in Connecticut policy discussions and the State's prediction-market study, protecting the integrity and economics of the regulated market.

Mr. Suarez also discussed bulk purchases, explaining that companies and organized groups attempt to purchase large quantities of scratch ticket packs by looking at games and prize data, and identify which to purchase. CLC has created a Bulk Purchase Policy to create a flexible framework to address evolving bulk-purchase strategies while protecting players, game integrity and CLC's financial interests.

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IV. Committee Reports:

a. Executive Committee Report:

Chair Simmelkjaer stated that the Executive Committee met on September 29th to discuss the President's performance review and compensation, which will be discussed later in today's meeting. No votes or actions were taken at the meeting.

V. Executive Session:

On a motion by Chair Simmelkjaer and seconded by Ms. Morton, the Board moved to Executive Session at 12:53 p.m. to discuss:

- a. Regulatory Update
- b. President and CEO Performance Review and Compensation

Mr. Suarez, Ms. Ganzer, Mr. Pezzulich, and Ms. Mack remained present for Executive Session item

a. Mr. Suarez and Ms. Ganzer remained present for parts of Executive Session item b.

VI. New Business:

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

Upon returning to public session at 1:40 p.m., Chair Simmelkjaer noted that no votes or actions were taken while in Executive Session.

After a brief discussion, on a motion by Ms. Morton, seconded by Mr. Langella and unanimously approved, it was:

Resolved, upon the recommendation the Executive Committee, the Connecticut Lottery Corporation's Board of Directors approves the following:

1. That the Connecticut Lottery Corporation Board of Directors approve a catch-up compensation adjustment for the President and CEO equal to the increases received by his executive staff in both 2025 and 2026.
2. That the Connecticut Lottery Corporation Board of Directors approve a target compensation adjustment for the CEO in future years that is equal to the increase received by the executive staff, with this target increase to be adjustable (upwards or downwards) by Board action in the October meeting of the Board each year.
3. That the Connecticut Lottery Corporation Board of Directors shall have the ability to grant the CEO a discretionary bonus each year based on the CEO's performance against goals in the previous fiscal year.
4. That Connecticut Lottery Corporation embark upon a compensation survey to be completed by an outside firm on compensation levels at all management levels of CLC, but with a specific focus on executive management, and that the results of this survey be communicated to both the Personnel Committee and the full Board.

b. Review of Draft Board Meeting Schedule for 2027:

The Board Meeting schedule for 2027 was distributed prior to the meeting and will be voted on at the December meeting.

VII. Adjournment:

Chair Simmelkjaer thanked everyone for attending the meeting and noted that the next regular meeting is scheduled for December 10, 2026. Prior to adjourning, Chair Simmelkjaer thanked Governor Lamont for the opportunity to serve the state by his appointment as Chair of the lottery Board six years ago and thanked the CLC leadership team for their support and hard work during his tenure. Mr. Suarez and members of the Board thanked Chair Simmelkjaer for his thoughtful leadership and wished him well.

On a motion by Chair Simmelkjaer, seconded by Ms. Morton, and unanimously approved, the meeting adjourned at 1:49 p.m.

Respectfully Submitted,

Annmarie Daigle
Acting Secretary
CT Lottery Corporation