

VERMONT LOTTERY COMMISSION
Beriin, VT
February 22, 2018

PRESENT: Commissioners: Sabina Haskell, Chair; Ed Flanagan, Bob Campo,
Susan Popowski, Michel Consejo
Staff: Danny Rachek, Executive Director; Jeff Cavender, Brian McLaughlin, Mary Cassani
Guests: Steve Mason and Molly Martin with FuseIdeas, Karl Fortman, Cara Salvatore,
Fivi Rondiri, Vasia Bakalis, Scott Hoss, Andrew Maclean, Terry Patterson and Steve Beck
with Intralot

The meeting was called to order at 9:00 am.

ACCEPTANCE OF MINUTES FROM JANUARY 17, 2017.

MOTION

A motion was made by Commissioner Consejo to accept the December 20, 2017 minutes as distributed. Motion was seconded by Commissioner Campo and voted in the affirmative.

MARKETING AND SALES – Jeff Cavender

Most, if not all, of the marketing efforts from now through June will be focused on the Big Event, which is roughly 100 days away. Currently, working on contracts with the fairgrounds, the DJ and are looking at securing an emcee. Stage setting, and the procurement of the prizes is still being worked on.

The sponsorship with the Lake Monsters has been renewed. This year we will be doing 3 games; one game in June, July and August because we will be showing up at more retailers (up to 8) throughout the summer for the Cash Explosion Tour.

Starting in June the focus of the lottery will be the gaming RFP. After speaking with consultants and determining a timeline, a June start will allow adequate time in the event a conversion needs to be done.

The WinStations are currently being re-wrapped. This process will be ongoing for the next two to three months.

The iLook software is still being tested and corrected.

BUSINESS OFFICE REPORT – Mary Cassani

The financial statements reflect that sales are up compared to budget and compared to last year. Net profit is also good.

Once a year in January the Tri-State operating expenses gets adjusted to actual. This year Tri-State owed Vermont \$385,000 at the end of December so that has been updated and reflected in the financial statements. Therefore, the Tri-State operating expenses is a negative and there is a significant bump in interest income.

Responses were received from the RFP from two different auditing firms. After consideration and discussion, staying with the current auditors of Davis & Hodgdon is the recommendation.

MOTION

A motion was made by Commissioner Campo to negotiate the contract with Davis & Hodgdon based on the RFP. Motion was seconded by Commissioner Popowski and voted in the affirmative.

DIRECTORS REPORT – Danny Rachek

Danny testified for the budget committee to answer all their questions. Most of the questions were general questions about the lottery and some were regarding the merger. There were no apparent issues with the submitted budgets.

Last commission meeting the idea was brought forward to potentially do delinquent tax offsets against a person's winnings. The tax department seems willing to pursue the implementation of how this will take place. The exact details are still being worked out, but the plan is to move forward on this with the drafting of a memorandum of understanding between the agencies.

INTRALOT – Karl Fortman

Last night Intralot switched over to their backup data center. The shut down of their data center is scheduled for next Thursday to repair the transfer switch that was damaged in the storm last June. The transfer of Vermont has been completed and New Hampshire will transfer this weekend. This will likely be an all-day event.

There is currently a large data outage with Fairpoint and service technicians are out working on accommodating this issue.

FUSEIDEAS – Molly Martin

Currently working on the Lake Monsters sponsorship with some outfield signage and a program ad.

The van wrap for the Cash Explosion tour is being created.

Making good progress working with Jeff on the Big Event.

ACCEPTANCE OF REPORTS

MOTION

A motion was made by Commissioner Consejo to accept the reports as presented. Motion was seconded by Commissioner Flanagan and voted in the affirmative.

OTHER BUSINESS

Ed Flanagan gave a brief update of the Tri-State Lotto.

MOTION

A motion to adjourn was made by Commissioner Flanagan. Motion was seconded by Commissioner Campo and voted in the affirmative.

A handwritten signature in cursive script that reads "Sabina Haskell". The signature is written in black ink and is positioned above a horizontal line.

Sabina Haskell, Chair