



STATE OF OKLAHOMA
OKLAHOMA LOTTERY COMMISSION
OFFICIAL MINUTES

June 19, 2012

Date

The Oklahoma Lottery Commission, established pursuant to the provisions of the Oklahoma Education Lottery Act, Sections 701 et seq. of Title 3A of the Oklahoma Statutes, held its regularly scheduled meeting June 19, 2012 at 1:30 p.m. The Meeting was held in the Conference Room of the offices of the Oklahoma Lottery Commission at 3817 North Santa Fe Avenue, Oklahoma City, Oklahoma. In compliance with the Open Meetings Act, 25 O.S. § 301 et seq., the agenda for this meeting was posted at the main and side entrances of the Centennial Business Building at 3817 North Santa Fe Avenue, Oklahoma City, Oklahoma on June 18, 2012 at 12:00 p.m. and was mailed or hand delivered to the offices of the Board members on June 15, 2012 and was posted to the website on June 18, 2012. The agenda is attached as Exhibit A.

AGENDA ITEM 1:

CALL TO ORDER. Chairperson George R. Charlton Jr. called the meeting to order 1:30 p.m. The roll of Board members was called to establish quorum.

Board members present were: George R. Charlton Jr.;
 Blake Virgin;
 James Orbison;
 William Paul;
 Charlotte Edwards.

Board members absent were: R. Deane Wymer;
 Cindy Ball.

Based on the result of the roll call, a quorum was declared present by the Chair.

Others in attendance were: Rollo Redburn, Interim Executive Director; Lyn Martin-Diehl, Assistant Attorney General; and Shannon N. Gabbert, Sr. Administrative Assistant. Others present were: Bonnie Presley; Susan Christian; Stephanie Halseide; Laura Thompson; Sean Murphy; Kathy Muenks; Barbara Hoberock; Megan Densow; Greg Fields; Dwight Burleson; Bryan Colbert; Katy Smith; Jim Reazer; and Shawn Ashley.

AGENDA ITEM 2:

ANNOUNCEMENT OF FILING OF REGULAR MEETING NOTICE AND POSTING OF THE AGENDA IN ACCORDANCE WITH THE OPEN MEETINGS ACT. The Chair called upon Ms. Gabbert to verify that proper public notice was made with regard to the June 19, 2012 Board meeting, in accordance with the Open Meetings Act. Ms. Gabbert verified that all necessary steps had been taken to remain in compliance with the Act.

AGENDA ITEM 3:

READING AND APPROVAL OF MINUTES. (Exhibit B) Mr. Virgin moved that the reading of the minutes of the March 20, 2011 session be waived and approved as published and distributed. The motion was seconded by Mr. Orbison. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Virgin	Yes
	Mr. Charlton	Abstain

THE RESULT WAS FOUR VOTES IN THE AFFIRMATIVE, ONE ABSTAINED AND NONE OPPOSED. THE MOTION PASSED.

AGENDA ITEM 4:

DISCUSSION AND POSSIBLE ACTION REGARDING THE HOLDING OF AN EXECUTIVE SESSION, PURSUANT TO TITLE 25 O.S. §307 B.1, FOR THE PURPOSE OF DISCUSSING PERSONNEL ISSUES RELATING TO THE EXECUTIVE DIRECTOR. Mr. Paul made a motion to enter executive session. The motion was seconded by Mr. Orbison. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Virgin	Yes
	Mr. Charlton	Yes

THE RESULT WAS FIVE VOTES IN THE AFFIRMATIVE AND NONE OPPOSED. THE MOTION PASSED.

AGENDA ITEM 5:

ROLL CALL AND ANNOUNCEMENT OF QUORUM TO RETURN TO OPEN MEETING. The Chair declared the Board to be back in open session. The Chair ordered a roll call to establish quorum.

Board members present were:	Charlotte Edwards;
	James Orbison;
	William Paul;
	Blake Virgin;
	George R. Charlton Jr.

Based on the result of the roll call, a quorum was declared present by the Chair.

Lyn Martin-Diehl, Assistant Attorney General for the Oklahoma Attorney General's Office, confirmed that only appropriate topics were discussed in the Executive Session.

AGENDA ITEM 6:

DISCUSSION AND POSSIBLE ACTION(S) REGARDING THE EXECUTIVE SESSION. Mr. Paul, on behalf of the Search Committee, made a motion to appoint Rollo Redburn to the position of Executive Director at a compensation rate of \$140,000 annually, to be effective immediately. The motion was seconded by Mr. Orbison. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Virgin	Yes
	Mr. Charlton	Yes

THE RESULT WAS FIVE VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.
THE MOTION PASSED.

Agenda Item 10 was taken up next.

AGENDA ITEM 10:

DISCUSSION AND POSSIBLE ACTION REGARDING THE FY'2013 BUDGET FOR THE OKLAHOMA LOTTERY COMMISSION. (Exhibit C) A motion was made by Mr. Virgin and seconded by Mr. Paul to approve the budget for fiscal year 2013 as presented, modifying to reduce the amount by \$100,000 as a direct result of the action taken in Agenda Item VI. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Virgin	Yes
	Mr. Charlton	Yes

THE RESULT WAS FIVE VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.
THE MOTION PASSED.

Agenda Item 9 was taken up next.

AGENDA ITEM 9:

REPORT OF AUDIT & FINANCE COMMITTEE. (Exhibit D) Mr. Orbison offered an oral report regarding the Lottery Commission's current financial standing. No action was taken.

Agenda Item 11 was taken up next.

AGENDA ITEM 11:

DISCUSSION AND POSSIBLE ACTION REGARDING A CONTRACT FOR THE EXTERNAL AUDIT OF INTERNAL CONTROLS. No discussion occurred and no action was taken.

AGENDA ITEM 12:

DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT OF COMMITTEE MEMBERS AND CHAIRS BY CHAIR OF THE COMMISSION. See Agenda Item XIII.

AGENDA ITEM 13:

DISCUSSION AND POSSIBLE ACTION ON THE SELECTION OF BOARD OFFICERS FOR CALENDAR YEAR 2012. (Exhibit E) The Chair elected to vote on Agenda Items XII and XIII concurrently. A motion was made by Mr. Orbison and seconded by Mr. Paul to maintain the current Chair and Committee members, with Mr. Wymer assuming the vacant positions of Board Treasurer and Chair of the Audit and Finance Committee, and Mr. Orbison serving in an Interim capacity until such time as Mr. Wymer is available to assume the positions. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Virgin	Yes
	Mr. Charlton	Yes

THE RESULT WAS FIVE VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.
THE MOTION PASSED.

At this point, the Session returned to regular order.

AGENDA ITEM 7:

INTERIM EXECUTIVE DIRECTOR'S REPORT:

- a. LEGISLATIVE UPDATE: Mr. Redburn gave an oral presentation regarding recently passed legislation that could potentially affect the Lottery Commission.
- b. CURRENT YEAR BUDGET UPDATE: Mr. Redburn gave an oral presentation regarding upcoming changes in the Lottery Commission budget, in addition to a basic overview of the budget and how the upcoming changes will affect the Agency.
- c. COMMISSION ACTIVITIES: Mr. Redburn gave an oral presentation regarding in-office employee activities and how the Agency is adding a bit of fun and making work more enjoyable in the process.

AGENDA ITEM 8:

UPDATE ON LOTTERY MARKETING AND SALES ACTIVITIES.

- a. MARKETING DIRECTOR: Jay Finks gave an oral presentation regarding the past, present, and future of Scratchers, in addition to expansion of other Lottery products and future Marketing strategies.
- b. SALES DIRECTOR: No action.

AGENDA ITEM 14:

NEW BUSINESS. No new business.

AGENDA ITEM 15:

ADJOURNMENT. The Board adjourned by general consent.

OFFICIAL MINUTES:

The action taken by the Oklahoma Lottery Commission on the items for consideration after motion duly made and seconded has been noted herein and made a part of these minutes. The Board caused the entire proceeding of the meeting, excepting any executive sessions, to be recorded on a digital audio recording device to be retained as a record in the office of the Board.

Exhibits are A through E.

Minutes Approved by Board of Trustees on September 18, 2012.