



STATE OF OKLAHOMA  
OKLAHOMA LOTTERY COMMISSION  
OFFICIAL MINUTES

June 9, 2015

*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 9, 2015 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 building entrances, in addition to the main internal office window of the Centennial Business Building at 3817 North Santa Fe Avenue, Oklahoma City, Oklahoma on June 8, 2015 at 8:00 a.m. and was mailed or hand delivered to the offices of the Board members on June 8, 2015 and was posted to the website on June 8, 2015. The agenda is attached as Exhibit A.

**AGENDA ITEM 1:**

CALL TO ORDER. Chairperson Blake Virgin called the meeting to order at 1:30 p.m. The roll of Board members was called to establish quorum.

Board members present were: Blake Virgin;  
Nevyle Cable;  
James Orbison;  
R. Deane Wymer;  
Matthew Felty.

Board members absent were: David Ostrowe;  
George R. Charlton, Jr.

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

Others in attendance were: Rollo Redburn, Executive Director; Lyn Martin-Diehl, Assistant Attorney General; and Nikki Phipps, Board Assistant. Others present were: Jay Finks; Mary Martha Ford; Greg Fields; Audra Eccles; Scott Moulton; Brandie Reisman; Chris Cox; Cynthia Santos; Barbara Hoberock; and John Hayes.

**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. Phipps to verify that proper public notice was made with regard to the June 9, 2015 regular meeting, in accordance with the Open Meetings Act. Ms. Phipps 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. Cable moved that the reading of the minutes of the March 10, 2015 regular meeting be waived and approved with one correction to a member's name. The motion was seconded by Mr. Wymer. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

**AGENDA ITEM 4:**

EXECUTIVE DIRECTOR'S REPORT. (Exhibit C) Mr. Redburn gave an oral presentation regarding Commission activities; legislation; and the PowerBall game change. No action was taken.

**AGENDA ITEM 5:**

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

**AGENDA ITEM 6:**

DISCUSSION AND POSSIBLE ACTION REGARDING POWERBALL GAME CHANGES AND OKLAHOMA'S CONTINUED PARTICIPATION IN THE GAME AS MODIFIED. (Exhibit D) Mr. Redburn discussed the upcoming changes to the PowerBall game, to be effective October 4, 2015. Mr. Cable moved that Oklahoma continue to participate in PowerBall. The motion was seconded by Mr. Wymer. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

**AGENDA ITEM 7:**

DISCUSSION AND POSSIBLE ACTION REGARDING CONTRACTS:

- a. Mr. Redburn discussed the proposed contract with BKD CPA's and Advisors to perform audits of Internal Controls. A motion was made by Mr. Cable and seconded by Mr. Orbison to approve a new five-year agreement and the 1st year of the new contract for the Audit of Internal Controls as presented, appending that the amount not exceed \$65,000 for the next contract year. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

- b. Mr. Redburn discussed the use of licensed properties and the proposed sole source contract with MDI Entertainment, LLC. A motion was made by Mr. Wymer and seconded by Mr. Orbison to approve the Licensed Properties / Gaming Contracts as presented, appending that the amount not exceed \$100,000 for the next contract year. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

**AGENDA ITEM 8:**

DISCUSSION AND POSSIBLE ACTION REGARDING FY'2015 AND FY'2016 BUDGETS. (Exhibit E) Mr. Finks gave a presentation of the FY'2015 budget and projections followed by the FY'2016 budget estimates. Mr. Redburn continued with discussion about the FY'2016 budget estimates, contributions to Oklahoma education programs and contributions for the treatment of gambling problems. Mr. Cable moved to approve the budgets as presented. The motion was seconded by Mr. Wymer. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

THE MOTION PASSED.

**AGENDA ITEM 9:**

APPOINTMENTS TO FILL COMMITTEE VACANCIES BY CHAIR AND REVIEW/APPROVAL BY BOARD OF TRUSTEES. Board Chair, Mr. Blake Virgin, appointed Mr. Orbison to fill the vacant seat on the appointments committee to replace Charlotte Edwards who is no longer a board member. Mr. Wymer made a motion that the appointment be approved by the Board. The motion was seconded by Mr. Cable. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Mr. Felty	Yes
	Mr. Orbison	Yes
	Mr. Cable	Yes
	Mr. Virgin	Yes

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

**AGENDA ITEM 10:**

NEW BUSINESS. No new business.

**AGENDA ITEM 11:**

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 22, 2015.