



STATE OF OKLAHOMA
OKLAHOMA LOTTERY COMMISSION
OFFICIAL MINUTES

September 17, 2013

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 September 17, 2013 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 September 16, 2013 at 8:00 a.m. and was mailed or hand delivered to the offices of the Board members on September 13, 2013 and was posted to the website on September 16, 2013. 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;
 R. Deane Wymer;
 William Paul;
 Charlotte Edwards.

Board members absent were: Cindy Ball.

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 Shannon N. Gabbert, Board Assistant. Others present were: Bryan Colbert; John Hayes; Barbara Hoberock; Scott Moulton; Mary Martha Ford; Katy Smith; Megan Densow; and Jim Reazer.

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 September 17, 2013 regular 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. Wymer moved that the reading of the minutes of the June 28, 2013 Special Meeting 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:	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Abstain
	Mr. Virgin	Yes
	Mr. Charlton	Yes

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

AGENDA ITEM 4:

EXECUTIVE DIRECTOR'S REPORT: Mr. Redburn gave an oral presentation regarding the new National Millionaire Raffle game; ending the Pick 4 game due to under performance; new Security investigations being conducted by lottery staff; SWAT, active shooter training that was recently given for staff; Poker Pick specs and systems testing; sales in surrounding states per capita and regional averages. Mr. Redburn also discussed the inability to get legislative action to provide relief from the mandated profit requirement, which would result in more funding raised by the Lottery for education programs. Mr. Redburn said conservative estimates indicate that an additional \$42 million could be raised for Oklahoma education programs over the next five years if relief was provided. Mr. Redburn suggested that if additional money was used to match FEMA monies that may be available, then a total of \$168 million could be raised for a special purpose, such as having storm shelters installed in schools for the safety of school children and school staff. No action was taken.

AGENDA ITEM 5:

REPORT OF AUDIT & FINANCE COMMITTEE. Mr. Wymer offered an oral report regarding the Lottery Commission's current financial standing and the results of the internal audit. No action was taken.

AGENDA ITEM 6:

DISCUSSION AND POSSIBLE ACTION REGARDING THE FY'2013 YEAR-END FINANCIAL REPORT FOR THE OKLAHOMA LOTTERY COMMISSION. (Exhibit C) A motion was made by Mr. Paul and seconded by Mr. Orbison to adopt the audited FY'2013 financial statements and approve as presented. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Mr. Wymer	Yes
	Ms. Edwards	Yes

Mr. Orbison	Yes
Mr. Paul	Yes
Mr. Virgin	Yes
Mr. Charlton	Yes

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

AGENDA ITEM 7:

DISCUSSION AND POSSIBLE ACTION REGARDING THE FY'2014 BUDGET FOR THE OKLAHOMA LOTTERY COMMISSION. No action was taken.

AGENDA ITEM 8:

DISCUSSION AND POSSIBLE ACTION REGARDING THE FY'2015 BUDGET FOR THE OKLAHOMA LOTTERY COMMISSION. (Exhibit D) Mr. Virgin made a motion to approve the FY'2015 preliminary estimates as presented. The motion was seconded by Ms. Edwards. The Chair ordered a roll call with the following results:

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

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

AGENDA ITEM 9:

DISCUSSION AND POSSIBLE ACTION REGARDING PARTICIPATION BY THE OKLAHOMA LOTTERY IN THE REVISED MULTI-STATE JACKPOT GAMES (POWERBALL AND MEGAMILLIONS GAMES).

A motion was made by Mr. Wymer and seconded by Mr. Orbison to approve the Oklahoma Lottery Commission's continued participation in the PowerBall game, to include the most recent game changes, which are going into effect January 2014. The Chair ordered a roll call with the following results:

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

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

THE MOTION PASSED.

A motion was made by Mr. Orbison and seconded by Mr. Paul to approve the MegaMillions matrix game changes, effective October 2013. The Chair ordered a roll call with the following results:

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

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

AGENDA ITEM 10:

DISCUSSION AND POSSIBLE ACTION REGARDING SELECTION BY BOARD CHAIR OF NOMINATING COMMITTEE MEMBERSHIP AND REVIEW OF ELIGIBILITY FOR OFFICES.

Mr. Charlton indicated that he would like the nominating committee to continue with the current membership and that they meet to discuss upcoming nominations and present recommendations at the December 3, 2013 Board meeting.

A motion was made by Mr. Orbison that the current nominating committee, comprised of Ms. Edwards, Ms. Ball, and Mr. Virgin, be approved to meet to discuss upcoming nominations and to present their recommendations at the December 3, 2013 Board meeting. Mr. Virgin seconded the motion. The Chair ordered a roll call with the following results:

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

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

AGENDA ITEM 11:

NEW BUSINESS. No new business.

AGENDA ITEM 12:

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 D.

Minutes Approved by Board of Trustees on December 3, 2013.