

MINUTES
IOWA LOTTERY BOARD
August 4, 2008

The Iowa Lottery Board convened by teleconference at 10:35 a.m., Chairperson Junge presiding. Board members participating: Elaine Baxter, Mary Junge, Michael Klappholz, Thomas Rial. Absent: Brad Schroeder, Michael Fitzgerald.

Staff present at Lottery Headquarters: Kenneth Brickman, Acting CEO; Steven King, Chief Financial Officer; Joe Hrdlicka, Vice President for Marketing; David Van Compernelle, Assistant Attorney General; Tina Potthoff, Public Affairs Manager; Barbara DeHeck, secretary.

Junge called the meeting to order and noted that the Board members were participating by means of a conference call, with the provisions of Iowa Code section 21.8 governing the conduct of electronic meetings in effect. A meeting with all members in attendance in person was impractical due to Board members' personal scheduling conflicts. The meeting originated from the Lottery central offices in Des Moines and public notice of the meeting was given pursuant to Iowa Code section 21.4, with public access to the conversation of all participants provided by means of speakerphone for the benefit of all in attendance at the meeting site. Baxter moved to conduct the meeting by electronic means, pursuant to Code section 21.8. The motion was seconded by Klappholz and carried unanimously.

Brickman indicated some meeting agendas had been mistakenly issued showing a starting time of 10:00 a.m. rather than 10:30. He said Lottery staff was present at the meeting site at 10:00, but no one had appeared at that time.

Update on Litigation

Junge stated that the Chair had been advised that the Office of the Attorney General was prepared to consult with the Board on the status of litigation and that the briefing should be conducted in closed session, pursuant to the provisions of Iowa Code section 21.5(1)(c) which provides for closed session to discuss strategy with counsel in matters presently in litigation or where litigation was imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in the litigation.

Klappholz moved to go into closed session pursuant to the provisions of Iowa Code section 21.5(1)(c). The motion was seconded by Baxter and carried by a unanimous roll-call vote. The Board convened in closed session at 10:40 a.m. At 11:03 a.m. Baxter moved to return to open session. The motion was seconded by Klappholz and carried by a unanimous roll-call vote. No action was taken in closed session.

Baxter moved that the Lottery would dismiss its counterclaim against eleven of the plaintiffs in the Siggins case (Ace Amusements Company; Anderson Amusement Co.; Bob's Amusement Company, Inc.; Game Station, Inc; Hawkeye Amusements; Illowa Music & Games, Inc.; J&B Amusements; Kampe Illowa, LLC; Kampe Vending Services; Play it Games of Iowa, LLC; and 3 A's Amusement) as part of the global settlement of all claims in the TouchPlay litigation. The motion was seconded by Klappholz and carried unanimously.

Adjournment having been moved and carried, the meeting adjourned at 11:12 a.m.