

DRAFT

NORTH CAROLINA SUPPLEMENTAL RETIREMENT BOARD OF TRUSTEES

MINUTES OF MEETING

September 11, 2014

Time and Location: The North Carolina Supplemental Retirement Board of Trustees (the “Board”) met at 9: a.m. on Thursday, September 11, 2014 in the Caswell Building, 200 W. Jones Street, Raleigh, North Carolina.

Members Present: The following members were present: Janet Cowell, Chair; Melinda Baran; Karin Cochran; Walter Gray; Gene Hamilton; Michael Lewis; Keith Burns; and Ron Stell. Robert Orr attended via telephone.

Staff Present: The following Department of State Treasurer (DST) staff were present: Steve Toole, Mary Buonfiglio, Rekha Krishnan, Lisa Page, Jaclyn Goldsmith, Erica Hinton, Rosita Sabrosso-Rennick, Rhonda Smith, Koreen Billman, Blake Thomas, Maja Moseley, and Mary Laurie Cece.

Guests Present: The following guests attended the meeting: Michael McCann, Tom Conlon, Aaron Koval, Kathleen Neville, Jessica Quimby, and Michael Knowling from Prudential Retirement; James Summerlin, Pam Schneider, and Allen Schiff from TIAA-CREF; Kelly Henson and Liana Magner from Mercer Investment Consulting.

AGENDA ITEM- WELCOME AND INTRODUCTIONS

The meeting was called to order at approximately 9:02 a.m. Ms. Cowell, Chair, welcomed Board members and guests. Ms. Cowell welcomed new members to the Supplemental Retirement Board of Trustees: Robert Orr, who has more than 12 years in the financial services industry; Keith Burns, who works with the financial services industry as part of his law practice; and Michel Lewis, who worked in investment banking for several years before entering real estate development six years ago. Ms. Cowell noted that Gene Hamilton and Melinda Baran have both been reappointed, and will serve an additional term through 2016. In addition, Ms. Cowell introduced the Plans’ new compliance officer, Maja Mosely. She also made introductions of new staff with outside vendors: Liana Magner, who is a partner with Mercer and will be the senior consultant monitoring the Plans’ investments; Michael Knowling, Thomas Conlon, and Aaron Koval with Prudential; and Pam Schneider and Alan Schiff of TIAA-CREF.

AGENDA ITEM- ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST

Mr. Cowell asked Board members to review the agenda for the meeting and identify any actual, implied, or potential conflicts of interest. There were no conflicts identified.

AGENDA ITEM- SWEARING IN OF MICHAEL LEWIS

Mr. Lewis was sworn in by Ms. Cowell.

AGENDA ITEM- APPROVAL OF MINUTES

Mr. Cowell asked if there were any comments on the minutes of the June 12, 2014 Board meeting. There were no comments. Ms. Baran made a motion that the minutes be approved. Mr. Gray seconded, and the motion passed unanimously.

AGENDA ITEM- RATIFICATION OF ROBERT ORR TO SUBCOMMITTEES

Ms. Cowell asked for a motion. Mr. Gray made a motion to ratify the appointment of Robert Orr to the Audit Subcommittee and the Investment Subcommittee of the Board. Mr. Burns seconded, and the motion passed unanimously.

AGENDA ITEM- RESOLUTION FOR CLAY THORPE AND MONA KEECH

The Board recognized the service of former Board members. Clay Thorpe and Mona Keech, to the Supplemental Retirement Plans, the Board and the State of North Carolina. Ms. Cowell stated she had great appreciation for those who serve on the Board. Mr. Gray made a motion to approve the attached resolutions, which express the Board's appreciation. Mr. Hamilton seconded, and the motion passed unanimously.

Ms. Cowell announced the Council of State approved a 10-year lease for the DST to consolidate all of its operation in a new two-story office building at Highwoods Blvd. off of Atlantic Avenue. The building, built in the 1980's, will have better conference space and facilities for DST staff.

AGENDA ITEM- COMPLIANCE CORNER

Ms. Cowell recognized Ms. Cece to discuss some compliance issues. Ms. Cece said she provided the Board with a memorandum describing the DST gift ban and no contact policy. The gift ban states that no staff or Board member may accept any kind of gift from a current or potential vendor. Ms. Cece noted that a list of vendors is attached to the memo. She explained the gift ban can be a bit tricky at conferences such as NAGDCA. The rule is that if an event is part of the conference admission cost, then it is fine to attend. However, if a vendor is handing

out “freebees,” then one should not accept these. There is no de minimus exception. Next, Ms. Cece explained the no contact policy. She noted this is timely, as the Plans have several upcoming RFPs. The policy states that once an RFP has been released, no staff or Board member should have any conversation with a bidder or potential bidder regarding such RFP. If a current vendor is a bidder, it is permissible to continue to talk with them about on-going business, just not about the pending RFP.

AGENDA ITEM- 403(b) PROGRAM

Ms. Cowell introduced Jamie Summerlin to give an update on the NC 403(b) Program. Mr. Summerlin referenced his slides, stating slide 1 shows there are 24 school districts signed up for the NC 403(b), but in fact there are now 25. Of those 25, three have decided to have TIAA-CREF as the sole vendor/recordkeeper. In addition, five districts have taken a soft sole-recordkeeper approach. In those districts, there will be no new accounts under old vendors. Seventeen districts will be adding TIAA-CREF as an additional vendor in their 403(b) plans. The districts that are currently signed up cover about 60,000 eligible educators out of approximately 180,000 in the state. This covers approximately 700 schools. Eight of the districts have decided to use the state’s plan documents. Currently, we have about 400 participants. Mr. Summerlin stated that the program expected to enroll an additional 30 districts by the end of the year. Ms. Cowell noted that the State Health Plan is doing a worksite pilot in Greene, Lenoir, and Jones counties, with 64 worksites in those counties. She said they are the three poorest counties, which is why DST chose them, and that this might be a nice partnership for the Supplemental Plans.

Ms. Cowell asked about the obstacles to folks making decisions to join the NC 403(b). Mr. Summerlin stated that TIAA has not received a hard “no” answer yet. However, there are 15 districts that either have a vendor contract that would prohibit them from joining the Program, or they are working with a third-party compliance service that TIAA has not been able to get comfortable with regarding their compliance measures. Mr. Toole noted that DST wants TIAA to control rate of adoption so TIAA can manage the plans and properly service them. He noted that it is DST’s goal and expectations to eventually bring on all 115 school districts. He also pointed out that Wake County is a good example of a district with an exclusive contract with ING. The state program is cheaper than what Wake currently offers. He pointed out, however, that the state’s discussions with Wake may have caused their current vendor to reduce their fees, and therefore, it’s a win for participants.

Mr. Summerlin stated there are 12 TIAA team members out in the field today having conversations with potential participants. He noted there is a very important meeting taking place today with the third largest district in the state.

Mr. Summerlin described the 7-9 week implementation process for new school districts: Weeks 1-3, announcement by the district notifying employees of a new provider; Weeks 4-6, district employees will receive a transition guide from the NC 403(b) Program; Weeks 7-9, transition seminars are held; Weeks 10+, welcome kits are sent to new participants. He noted that TIAA offers a full spectrum of advice: online 24/7 at no additional cost, a national call center with no incentive fees associated with call; TIAA-CREF financial consultants who go into districts and have one-on-one meetings with participants at no additional cost; and independent Registered Investment Advisors, available at additional cost. Finally, he noted there is to be an event on Sept. 25 with Chapel Hill-Carrboro City Schools with the Treasurer in attendance.

Mr. Burns asked who might utilize the independent RIA advice service. Mr. Summerlin stated that the first three levels of service provide objective, third-party advice, which is holistic and comprehensive, and provides 90 percent of what employees need. However, there are 10 percent of participants who need advice involving assets outside of the Program or have a relationship with advisor who they may want to maintain. Higher-net-worth individuals are the ones most likely to utilize this service. Mr. Hamilton asked if this advice is only on the participant's 403(b) account, to which Mr. Summerlin responded yes, and noted that those who use RIAs in the TIAA-CREF network have the option to pay with pre-tax dollars from their plan account.

Next, Mr. Buonfiglio discussed the performance the mutual funds in the NC 403(b) Program. She noted that Mercer will start monitoring the performance beginning in January of 2015, and the report going forward will be consistent with the other reports provided by them. In the meantime, she wanted to give the Board information on the funds' performance. She noted that the benchmarks being used for this report are from Morningstar, but in the future the Mercer benchmarks will be used. She pointed out that when the Board picked the fund lineup, they were attempting to meet the needs of many different types of participants. TIAA-CREF has recently launched Custom Portfolios, and staff is looking at these to see how they could fit with the lineup, but in the meantime, Wells Fargo target date funds are being offered. She noted that index funds are in the lineup, as well as funds with active managers. All funds are at institutional share class. Ms. Buonfiglio pointed at that the performance behind Tab 5 is presented as of July 31, 2014. She also noted that fees presented here are gross. Mr. Hamilton asked about the SVF and Real Estate Fund run by TIAA-CREF and the fees for them. Ms. Buonfiglio stated these are two proprietary products of TIAA, and going forward we will give more information on fee comparisons as Mercer picks up the monitoring.

AGENDA ITEM- APPROVAL OF AUDIT SUBCOMMITTEE MINUTES

Ms. Cowell recognized Mr. Gray to give a report of the Audit Subcommittee. He noted that the minutes of the meeting are behind Tab 6. Mr. Gray stated the audit resulted in an unqualified opinion. Regarding the NC Stable Value Fund, the auditor CliftonLarsonAllen (CLA) stated there was a bit of estimation of value, but no difficulties needed to be communicated. Mr. Gray noted that in the Audit Subcommittee meeting, Ms. Baran asked CLA if they anticipated any problems as the Plans begin the unbundling project. Mr. Rey from CLA said that currently the custodian does not have a duty to share information with the Plans' auditors. After unbundling, the information will be easier to obtain because there will be a direct contractual relationship between the custodian and the Plans. Mr. Hamilton made a motion to approve the Audit Subcommittee minutes. Mr. Burns seconded, and the motion passed unanimously.

AGENDA ITEM- APPROVAL OF INVESTMENT SUBCOMMITTEE MINUTES

Ms. Cowell recognized Ms. Baran to give a report of the Investment Subcommittee meeting on August 14, 2014. Ms. Baran welcomed Robert Orr, who will be joining the Subcommittee, and asked if any other members wanted to join to please let the Treasurer know. She stated that despite a volatile year, the portfolios are in good shape. She noted that Ms. Buonfiglio had taken a due diligence visit to Galliard, which went well. She explained that Galliard is conducting oversight on the investment managers in the SVF. She said that Great West has discovered an open receivable item from the 2009 transition from Prudential, and they are working with Galliard and Prudential to resolve the issue. Mercer presented the idea to the Subcommittee of perhaps streamlining investment options -- movement toward simplification would be something for the Investment Subcommittee to work on and present to the Board. This is most likely an 18-month project. She added that GoalMaker is doing well. She pointed out that there is some concern by Mercer that not enough participants are in GoalMaker, but new participants are embracing it well.

She explained that the transition from Neuberger to Loomis has been completed. All of other investment managers were performing well. She said the Subcommittee had a discussion with Mercer about keeping a close eye on PIMCO because they are still going through a management transition structure change after Mr. Gross leaving the company, and new managers being hired and appointed to work in his stead.

She said the investment policy statement is something Mercer will be looking at. Mercer believes this could be greatly simplified. Mercer will be presenting a revised IPS at the November meeting, with the goal of having something finalized by the August 2015 meeting.

She said the Subcommittee also had an investment management presentation by Wellington. She noted the process of the Investment Subcommittee, that after four quarters of performance

under benchmark, a retention memorandum should be presented to the Board by Mercer to let them know if it's appropriate to evaluate other firms that would be an appropriate alternative to the other manager. Wellington is designed to be a defensive manager, but unfortunately, their performance has not met the minimum. At the next Investment Subcommittee meeting, Mercer will be handling this issue, with the goal of bringing a recommendation to full Board in December. Ms. Cochran commented that Ms. Baran did an excellent job summarizing the meeting. Ms. Cochran made a motion to accept the minutes of the Investment Subcommittee. Ms. Baran seconded, and the motion passed unanimously.

Treasurer thanks the Subcommittee members for all their work.

AGENDA ITEM- 2ND QUARTER INVESTMENT PERFORMANCE REPORT

Ms. Cowell recognized Liana Magner and Kelly Henson from Mercer Investment Consulting to provide a report to the Board on second quarter investment performance. Ms. Magner gave an update on the markets in general. She stated that the global economy is regaining some footing, and this had been good for the US and overseas markets. She noted that unemployment did drop from 6.7 to 6.1 percent, but it is unclear if this is because some have taken on part-time work or dropped out of the job search. Corporate profits are relatively high and M&A activity is up. Large cap stocks performed better than small cap. She noted that a few sectors have led the way: energy, utilities, and technology. Industrials, consumer discretionary, and finance were not up as much. This situation impacted several of the active managers who were underweight in the sectors that led this quarter. In the emerging markets, disparity between regions was quite evident. Within fixed income markets, Barclays aggregate was up about 2 percent. TIPS did well, as did REITS. Ms. Magner pointed out that page 16 of the Mercer report shows the performance of the total assets in the Plan. There is some underperformance in the large cap value fund. Also, the small- and mid-cap growth fund did not perform as well as their peers, as they are underweight with energy and technology. But, when one looks at the trailing 3-year and 5-year numbers, the majority of managers are outperforming their peers.

Ms. Henson reviewed the investment managers' quarterly performance. She noted that the within large cap, several of those managers are defensive, so when the market is up 20 percent, we would rather have underperformance in those periods rather than when the market is down. Robeco and Wellington are designed to be more defensive, complementing the aggressive managers like Hotchkis. In the large cap growth fund, a significant portion of the underperformance is Neuberger. However, they have now been replaced with a manager that is perhaps a better fit for that fund.

With regard to fees, Ms. Henson walked through every element of the fee review slide for the benefit of new Board members. Overall, the Plans' total estimated fees and expenses, including the state's administrative and recordkeeping fee, are 0.498percent, compared to 0.630 percent median expenses tracked by Mercer. Mr. Orr asked in the comparative data includes overhead expenses, such as the recordkeeping fee and the NC budget. Ms. Henson stated that all those fees are included at the fund level. For the underlying investment managers, they look only at the investment manager fee. Mr. Orr said that is actually conservative. Ms. Henson agreed. Mr. Burns asked if the recordkeeping and administrative fee are benchmarked. Ms. Buonfiglio stated that staff does keep track, and the Prudential fee has been renegotiated down over time. She noted that a CEM Benchmarking fee review was conducted last year, and they stated that our fees compared very favorable. Mr. Toole noted that the NC 2.5 basis points administrative fee is approved by the Board to pay the state administrative expense. He noted that 18 months ago when there was an excess in the administrative account. Fees were returned back to the participants.

Ms. Buonfiglio noted that the Times Square fee had recently been reduced due to the efforts of Rhonda Smith from the Investment Management Division.

The Board took a break from 10:25-10:35 a.m.

AGENDA ITEM- 2ND QUARTER ADMINISTRATIVE REPORT

Ms. Cowell recognized Michael McCann of Prudential to give the 2nd Quarter Administrative Report on the NC 401(k) and NC 457 Plans. Mr. McCann introduced the team that was with him: Kathleen Neville, manager for the 18 filed reps; Jessica Quimby, who is the marketing consultant; and Tom Conlon, who leads the client services team that oversees back office items. Mr. McCann pointed out that Mr. Conlon has three dedicated team members that take over a 1,000 calls a month and 2,000 emails. Finally, he introduced Aaron Koval, who reports to Mr. Conlon, and is the dedicated project manager for the Plans.

Mr. McCann directed the Board to page 5 in his presentation, which that contained the goals for the Plans and the results of those goals. He noted that retirement readiness is the top level metric, and these are the subgoals that tie back to that number. The subgoals revolve around GoalMaker utilization, number of participants, and dollar and percentage amount of deferrals. He stated that next year, the top metric is to have 70 percent of participants' retirement ready. The goal by 2020 is to have 90percent retirement ready. Mr. McCann noted that slide 6 is a new slide, and it shows the top metrics for the Plans combined. The total number of participants in both Plans is 266,575, and the average monthly deferral is approximately \$180, which is an average contribution rate of 5percent. The total participation rate in the Plans is about 31percent

of those eligible, and that compares pretty favorably to peers. He noted that one of the challenges is that there are many subemployers in the Plan that can offer the state plans as one of many options for employees, so the fact that the Plans are at 31percent should be comforting, considering there are other competitors.

This quarter, the NC 401(k) added approximately 8,100 net new members. Contributions are still outpacing distributions, but this is coming down year over year. The NC 457 had a net increase of 4,145 members. This is the Plan where Prudential is seeing growth. Deferral rates are up 20percent year over year in the NC 457.

Mr. McCann pointed out a new slide that shows how assets are allocated in the NC 401(k) for participants who are not in GoalMaker, and points to the importance of GoalMaker in helping with proper asset allocation and retirement readiness. This slide show that 50 percent of young people not in GoalMaker are in the SVF. Ms. Baran asked if the Board is in any way being negligent by letting members invest this way. Mr. Thomas pointed out that 401(k) programs are designed to let individuals make their own decisions. Ms. Cowell noted that DST has several new communications staff, and with their help, DST will increasingly be able to target communications to members potentially at risk. Ms. Buonfiglio said the Plans are already doing targeted communications. She said some will be contained in the next newsletter. The newsletter will discuss the importance of GoalMaker. Some discussion surrounded the importance of communicating proper asset allocation ensued, but it was noted that the Board and DST are not investment advisors. Mr. Gray stated that he is encouraged by the number of new hires choosing GoalMaker.

Mr. McCann directed the Board to slide 25 that shows leakage and loans from the Plans. He noted there has been a drop off in total number of loans. Over the last 3 years, just about 24percent of participants took loans; now it is under 20percent In the NC 457, it is less than 11percent. Mr. Orr said he assumes this is related to the macroeconomic situation. Mr. McCann noted that hardship activity had increased over the last 3 years and is now staying consistent. Slide 27 shows how disbursements in the NC 401(k) are tracking upward. Prudential is building a product suite and training field service teams to help educate members about the best thing to do at retirement, which is initiate rollover or take advantage of the state's transfer benefit.

At this time, Mr. McCann turned the presentation over to Jessica Quimby. She discussed the refurbishing of the website. She stated that the current website does not do a good job at driving behavior. She walked the Board through what Prudential learned about driving behaviors and through what the new website will look like. She noted the goal is to make sure it is a positive user experience. In addition, she showed what a landing page would look like on a smart phone.

Ms. Buonfiglio asked about timing. Ms. Quimby stated that it would be ready by the end of year.

Ms. Quimby then turned the presentation over to Ms. Neville for an update on Prudential's activity in the field. Ms. Neville said the field force is focused on new member participation, trying to get an increase deferral rate, and proper asset allocation. The 18-member field team is focusing on participant engagement and employer relationships. Slide 36 shows the meeting activity of the team. Part of what the team is doing is trying to get members to go to website and use the retirement income calculator. She pointed to Slide 32, which showed number of income calculator interactions, and how this impacts an increase in the savings rate. Ms. Neville said the team is also adding new employers to the NC 457 Plan. There are 11 new employers so far this year. Three more will come on in the next 2 months.

Ms. Neville turned the presentation over to Tom Conlon, who gave a review of the Plan audit. He explained that the Plan audit, which was an operational review, compared expected outcomes of employer and participant transaction types against the outcomes in the recordkeeping system. He stated that, overall, results were excellent, but there were some transaction types that caused a few problems. He noted that the error rate was less than 0.03 percent. In summary, he said that the Plans are being administered exactly as intended.

Next Mr. Conlon gave a brief overview of the transition of investment manager Neuberger Berman to Loomis Sayles. The transition occurred between July 25 and August 11. Blackrock was the transition manager. The transition went very well despite the volatility in the market during the first week of August. This shows the importance of a transition manager. Ms. Baran asked about the overall cost of the transition. Mr. Conlon said it was about 17 basis points.

At this point Ms. Buonfiglio introduced Erica Hinton, who reported on the Employer and Participant Recordkeeper Satisfaction Survey. Ms. Hinton said the survey was posted online, and emails were sent to employers and participants asking them to participate. The survey was open for 2 weeks. The cost of the project was \$2,688. The response rate was 9.3 percent Ms. Cowell asked why the survey was only sent to 104,181 participants instead of the whole population. Ms. Hinton stated that is the population for which we have email addresses. Ms. Cowell noted that this issues regarding email and telephone access should be put on the agenda for a later meeting. Ms. Hinton explained that across the board, there were very favorable ratings for Prudential. Ms. Hinton stated that 2,200 emails were sent to employers and there was a 20 percent response rate. Overall, the responses were that employers were very satisfied.

At 11:15 a.m., the Chair, Treasurer Cowell, left the meeting and turned it over to Steve Toole to chair.

AGENDA ITEM- DIRECTOR'S REPORT

Ms. Buonfiglio reported on the age adjustment feature within GoalMaker. She reminded the Board that in March she discussed the small population of members who were in GoalMaker prior to the time the age adjustment feature was available, and had not chosen that feature once it became available. She noted that as the staff and Prudential began to implement a strategy to get these members to choose age adjustment, they realized it is probably best to do this via a communications campaign. She wanted to make the Board aware that this is now being done by a communications campaign rather than by a negative elect process.

Mr. Toole gave a report on the progress on the unbundling project. He noted that the Plans currently work with Prudential as recordkeeper in a bundled structure, in which Prudential contracts directly with investment managers to manage Plan assets. The DST will be issuing two RFP's in the coming month: The first for a master trust and custodian. He noted that in this unbundled structure, there will be much more transparency. The second RFP is for recordkeeping and communications services. In addition, under consideration is what kind of investment consultant is best for the Plans. To help the Board and staff through this complex decision-making process, DST sent out a scope of services request. Once staff determines who the consultant should be to help with this analysis, they will evaluate current staffing and needs. RSD staff will look to present the final recommendation at the March Board meeting. There will be an update on progress at next Board meeting in December.

Mr. Toole reported that the following items passed the North Carolina Legislature:

1. Funded the Retirement System.
2. Retirement Administrative Changes Act. The legislature provided the same sort of immunity of civil liability that the Supplemental Board has for the LGERS and TSERS Boards.
3. \$1,000 raise for all state employees.
4. Five additional vacation days for state employees.
5. TSERS members received a COLA.
6. LGERS received no COLA.
7. Authorized additional personnel for the RSD compliance team to help identify where there are overpayments, and we will get these dollars back.
8. Pension Spiking Bill passed.
9. Loan from the QEBA account into the supplemental account passed. Mr. Toole explained that when the NC 403(b) legislation passed, there was no funding for start-up costs. The NC 403(b) Program will pay the loan back with interest when there is \$250,000 in the administrative expense reimbursement account.

10. Return of unvested contributions with interest passed, and the vesting period for the pension is now 5 years instead of 10.

Mr. Gray asked about agenda for the long legislative session. Mr. Toole stated that we will be looking at the length of Board terms, as well as an initiative that might include a state-sponsored 401(k) for small businesses. Also, we will be looking at auto enrollment and auto escalation. Legislators are also talking about the possibility of developing a defined contribution choice plan in lieu of the current defined benefit plans offered to new employees. The Retirement Systems is closely monitoring these activities. Mr. Hamilton asked whether a Roth 401(k) was being considered. Mr. Toole said he would look into that. Mr. Toole asked if there were any questions.

Next, Mr. Toole gave an update on the budget. He explained the exclusive benefit rule to the Board. He also noted on the budget there was a fee for rebranding and consumer segmentation. He said this request is so staff can learn more about participants and be able to target market with our vendors more effectively. Mr. Toole then described the Annual Benefits Statement. Mr. Baran moved to approve the budget. Mr. Stell seconded, and the motion passed unanimously.

Mr. Toole then described the staff's due diligence site visit to Prudential. He said that he and staff had a very good trip to Scranton in September. It was a fiduciary oversight trip. He found a high level of efficiency at Prudential, and that the team was very forward-thinking and professional. He also noted that Mr. Conlon did a great procedural review of the Plans, especially considering that North Carolina has customized and complicated Plan. He added that staff learned things on the visit that will be helpful in the RFP process.

Finally, Mr. Toole discussed the upcoming NAGDA conference. He noted that this year NAGDCA is not handing out many awards, and North Carolina won two awards. He noted the things we are doing are best-in-class. He said he was on the agenda setting committee for the conference, and that it was a sellout this year. He again encouraged staff and Board members to attend the conference.

AGENDA ITEM – BOARD QUESTIONS/COMMENTS

Mr. Toole asked the Board if they had any comments. There were none.

AGENDA ITEM – PUBLIC COMMENT

There were no public comments.

A motion to adjourn was made by Mr. Hamilton and seconded by Mr. Burns. The motion passed unanimously, and the meeting adjourned at approximately 12:10 p.m.

SECRETARY