



# WYOMING LOTTERY CORPORATION

## Board Meeting Minutes

November 15, 2016

Cody, WY – Irma Hotel

### **Board Members Present:**

Mark Macy-Chairman, Gerry Marburger-Treasurer, Dave Bonner-Secretary, Sandra Wallop, Sandi Chitwood, Ross Newman, Jim Whalen, and Gina Monk

### **Board Members Absent:** None

### **Staff Members Present:**

Jon Clontz-CEO, Macy Holmes-Administrative Assistant, Dave Stevens-Security Manager, Robin Grandpre-Project & Performance Manager, Robin Reining-CAO

**Guests:** Matt Kaufman-Lawyer, Tim Rutten-Intralot, Jennifer Bohlig-Intralot, Laura Lewis-Intralot, Brandy Marrou-MH&P, Donna Dittimore

Mark Macy called the meeting to order at 8:36 a.m. with a roll call of board members and staff members. Recognized Brian Scott Gamroth as a member of the board; always present in spirit. All guests welcomed. Welcomed new member, Gina Monk, with introduction.

Document moving of meeting conference call about Brian Scott Gamroth requested. Motion made by Dave Bonner to approve the minutes from the June 21, 2016 meeting. The motion seconded by Ross Newman and the motion passed by a unanimous 8/0 vote.

### **CEO Report:**

Mr. Clontz provided report update:

Some redundancy with email updates

Met with Gina Monk; enjoyed visit in Gillette

Looking in the Casper area for a new board member

Buckets for each board member; book included that the chairman asked to read and new swag for Lucky for Life game

Congratulations Dave Stevens for passing the CFE exam; extensive process

Passed first try so grateful he went out and got it

Dave Causey brought on for more hours under existing FTE

Providing additional security as well as picking up the draws for the new game

Q1 Report Out; all accepted with no negative feedback  
Governor's office requested in person presentation; no concerns, including quarterly financials  
Remaining in compliance  
Audit discussion to come; very proud of it  
Discussed all 3 audits; getting more complex  
Appreciate team and staff for good audit  
Security audit completed; MH&P asked for a copy  
Had qualified person come in and only had a few minor concerns  
Need to add additional cameras; only major recommendation  
Professional from Colorado lottery conducted security audit  
Attended CWMPA; spent time with Mark Larson  
Have vested interested in that group; Mark's major concern was in scratch tickets  
Not lobbying for it; we answer questions about it only  
Legislature will put something forward; will not be done by the Lottery  
Continue to be ready in case the legislature passes anything  
A lot more talk about instant ticket language in the statute  
Legislative event & road tour coming up; getting to them at the right time during session  
Meeting new legislators and taking updates to them; make sure they're thoroughly updated  
Real opportunity to get to know new folks  
PGRI conference attendance & MUSL meeting at conference  
Developed habit of working in meetings to gaming conferences  
Having to meet a lot more about national news, jackpots, and position assignments  
Stay connected for interest of lottery networks  
Traveled to Thermopolis at request of WAM; met with Shelley Simonton  
Well received; fielded a lot of questions about growth  
Appreciated it; taking report out and covering same material  
Governor's business forum attended; sponsored and reaching out to municipal leaders  
Visited Intralot executives & toured backup generator in Georgia  
See how they handle taking care of us; changes in Intralot discussed  
Internal shifts going on and it will impact Intralot; working on growing US market  
Appreciative they thought enough of us to involve us in reorganization; more focus, attention, and customer service  
Reminder of performance management training; promised board it would be done after we moved out of startup and into normal operations  
Will identify core responsibilities, fundamentals mapping; include field work on this and do it quarterly  
Bring information to board in more concise way; action plans, etc. (red, yellow, green system)  
Meeting scheduled to start fundamentals mapping process  
By next spring for first quarterly target review; Robin Grandpre to lead that, along with Robin Reining  
Looking forward to it; commitment remains  
Fairly well attended retailer trainings; educated retailers on new game and address concerns  
Last retailer forum was 2 years ago; goal is to do them every August/September  
Intralot had back up plan for anyone who was unable to attend  
Sales keeping steady pace; dip after large jackpot hit

Recovered from that and normalized; steady growth in part because of popularity of Cowboy Draw  
Recent winner; had a party in Rawlins with winner who remained anonymous  
Better turnout since any other retailer celebrations to date  
Lottery is big news; grateful media wants to cover it; giving us a lot of airtime  
Covers a lot of ground/mileage; doesn't cost us anything  
Good relationship with local media  
New game launch discussed; Robin Reining to discuss in detail later  
Discussed impact on revenue of Lucky for Life  
Opportunity to use money put aside for new game; didn't have to borrow money  
Launch on 12-4-16; media event on 12-5-16  
Upturn in sales; haven't seen any crashes with the economy-people love to play because they win with Cowboy Draw; steady increase in sales and normal week is well beyond what it was at start up  
Any more discussion of a cap with Powerball from MUSL?  
Jon Clontz explained "cap" means slowing the roll; if it hits a billion, control the roll in increments of 100 billion; starts to take enormous leaps instead of based on sales; majority voted to table the topic-a lot of other "fish to fry"; sure it will come up again-keeping up with huge secondary jackpots that come along with it; expect it to come up again  
We do have strategic plan, marketing plan, etc. in process; can send out to board for their review once completed  
Discussed performance management process; want to make sure the board is in line with this brief; once we get to fundamentals mapping, you'll have something beyond theory to look at, but in the meantime we'll get out strategic plan and business plan  
Mark Macy recognized Robin Reining as new staff member  
Jon Clontz added that the Lottery has known Robin for a long time, as she was the account director at Warehouse 21; did tremendous job and has been here a couple of months and she's done fantastic; best employee decision he's ever made; Dave Tuebner allowed her to come and he is grateful for that; she has a positive attitude and allows Jon to get out and do legislative work; Chief Administrative Officer instead of Chief Operations Officer; needed backup when Jon isn't there and Robin filled this role marvelously  
Mark Macy noted that she has a four hour commute daily, which is quite an undertaking and commends the efforts

### **Finance & Accounting Report:**

Donna Dittmore filled in for Justin Ballard; Jon Clontz addressed Mr. Ballard's administrative leave and accounting firm coming in as a permanent backup plan and can jump in if something like this happens again

Mrs. Dittmore will be here through this week; operating at highest level of efficiency

### **Q4 Financials:**

Donna Dittmore presented Q4 financials highlights

Sub accounts were discussed; separated into different categories

Reserve fund is to offset any unforeseen circumstances; gives flexibility

New game account discussed  
State transfer account funded as we go along; funded weekly  
The funds from unclaimed prizes-restricted account are designated to pay players or special promotions  
Operating expenses from Jonah Bank checking  
Moved to discussion of prize fund account and payments of players  
Retailer fund; used if retailer goes under as a way to reimburse ourselves  
Cash standing 3 million at end of the year  
Discussion of assets and pre-paid expenses; a few adjusted journal entries required  
Haven't incurred new assets at the end of the year  
Wyoming retirement account will be seen on balance sheet; no effect on lottery unless retirement went under which is highly unlikely  
Unclaimed prizes account is to fund problem gambling; as we receive purged ticket amounts, it is transferred up to \$200,000  
Money will be what the board has already allocated; what remains is what could be allocated but has yet to be done  
Built reserve fund to "fully funded"; the rest was moved to other accounts; didn't have to use for jackpots  
Jon Clontz provided some more detail around what is restricted and what is not; some loss in translation with changes in CFO position  
Donna continued to discuss liabilities of balance sheet  
Unearned revenue discussed  
GASB 68 explained; journal entries discussed briefly

Profit & Loss sheet discussed  
Revenue of 6.9 million; left with 1.5 million to pay expenditures  
Nothing outstanding on expenses  
Overall, on target for Q4; Q1 we were able to transfer \$800,000 to the state  
Motion made by Sandi Chitwood to approve the Q4 Financials as presented. The motion seconded by Ross Newman and the motion passed by a unanimous 8/0 vote.  
Donna Dittmore introduced Brandy Marrou from MH&P to cover audit materials.

#### Audit Results:

Brandy Marrou of MH&P provided brief overview of audit materials  
Pg. 1 is the independent auditors report describing responsibility; pg. 2 is the auditor's opinion; presented fairly  
Long way of saying it is an unmodified opinion  
Section about pension liabilities; make sure it's consistent with other information provided  
Provides reader with a synopsis of financial position  
Pg. 4 highlighted the last 2 bullets; changes requested from finance committee to better define unclaimed prizes; wording more consistent  
Donna Dittmore reviewed details of accounts; Brandy Marrou described fluctuations in balances  
Liability stayed consistent; Line of credit with Jonah Bank is at zero; payable to state of WY

Overall net position increased significantly; now in the black  
Statements of revenues, expenses, and changes in net position covered in detail  
Consistent year over year with direct costs which was expected  
Operating expenses stayed consistent outside of reduction in marketing and advertising  
Net position in the black  
Statement of cash flows discussed; only item pointed out is net increase over prior year  
Weren't many changes to accounting policies  
Pg. 14 discussed the unclaimed prizes - paragraph outlined  
Added new policy for pre-paid expenses; are some pre-paid marketing costs  
Will be expenses as they're launched to general public; pg. 16 footnote 1 discussed over  
pension liability-explained numbers required; no significant impact  
Compliant with GASB with early adoption  
Believe future liability will be as employees put them in; lottery will not have to fund as long as  
WY retirement continues to be funded; found it prudent for all to know what that liability may  
be; balance represents percentage off of entire retirement calculation for the state-result of this  
calculation; 26000 internal coding  
Money has not been set aside and it is not smart to fund; agreement from sub-committee; likely  
the result of many retirement funds having problems but WY isn't in the group  
Note 2 pg. 16, cash balances discussed  
Now that lottery is transferring money to the state, may want to consider collateralizing  
Jonah Bank is unsure because of the nature of the business itself; consider for the future  
Note 3, pg. 17 gives a picture of capital assets - brief overview  
Contribution to WY retirement outlined on pg. 20, final paragraph; minuscule liability  
Notes of financial statements highlighted  
Amendment to marketing commitment that reduced expenses outlined on pg. 25  
Mark Macy acknowledged it was a great audit, thanks to Gerry Marburger and Ross Newman;  
recognize and appreciate it  
Pg. 26-28 required supplemental information that is required to be disclosed  
Pg. 29 auditors report over internal controls, etc.; pg. 29 described deficiencies  
Repeat finding from last year; lottery did put in place in 2015 and with turnover, it didn't  
translate the way it should; middle pg. 30 is lottery corrective action plan; asked Robin Reining  
to review so it won't repeat and will hopefully resolve in the next fiscal year  
2<sup>nd</sup> finding and defined as lesser; bring to boards attention, unusual event  
Cowboy Draw drawn on Thursday at end of fiscal year; hit that day; timing issue over next  
draw date  
Lottery established internal control to make sure all liabilities with jackpots are reported  
Letter addressed to audit committee outlined; certain items required to discuss  
Changes in accounting policy, identify unusual transactions, initiating transfers to state of WY  
Lottery calculation reasonable in transfer calculation  
Based on our calculations, Lottery transferred slightly more than they would've recommended  
Recommended adjustment to transfer calculation; subject for committee review  
Summarized audit adjustments, no disagreements with management  
Required to disclose any significant conversations; met about state transfers

After board approval, pdf will be sent to Lottery to distribute as they deem necessary  
Marketing & advertising reduction due to Jon Clontz's efforts last summer appreciated

Problem Gambling Discussion:

WDH needs to get us a budget; lack of problem gambling being identified in the state and need to get a handle on the money we've set aside for them; strategic planning for them-time to do that so we don't have buildup of money on the books; tasked with maximizing revenue to the state; would like to address board members

Not a sizeable problem being identified; numerous things we know will be done each year; what Jon Clontz plans to do is bring a recommendation with the amount of money in the pot, budget expenditures, and number documented that is eligible to be transferred to the account; follow up meetings with WDH to get ideas on other ways to spend these funds

Ross Newman would like to see WDH get on track with budget instead of just seeing account continue to grow; statute gives guidance on what we can do with that money; marketing issue so we utilize the funds rather than just grow the account

Dave Bonner stated we don't need that amount of money sitting in problem gambling fund and not doing anything with it; far more effective work in another area; need a plan for it and not have it just accumulate

Jon Clontz explained we are at the creative point in the process; won't spend when we don't need to; can hire on a problem gambling officer to have on staff

Our statute is different than other lotteries; need to make sure it actually does something for problem gambling; sending board members to Vancouver won't make a dent in the account; we need to figure out how we can spend it meaningfully

Defer to marketing committee; we've asked WDH for a budget, they said they don't have time so we need to push to get that done

Can shift in to create budget and they will fill in from there; there's understanding and they are getting it done; need a statement to be on the same page

Required to set aside up to \$200,000; we've exceeded this amount and no policy is in place to take it back or spend according to a budget

Prior to Brian Scott Gamroth's passing, he worked separately on idea of spending that money from ideas around the state; discussion among sub-committee was to not have proposals go through lottery and instead through WDH

Jon Clontz suggested perhaps bringing in a facilitator to get these ideas moving and create a budget ourselves

Discussion of outside treatment facilities receiving money through requests to WDH; statute is clear that board controls this money

Breakdown from sheet so there's a document each quarter to refer back to; hopefully that will be a motivator as well; although everyone is busy, this is a resource that they will have to get accustomed to; board can choose to spend it on prizes and promotions instead

Stuck on \$200,000; change amount as we see fit because of "up to \$200,000"; don't see the need so they are working with the ones where there is a need; bottom line is we're here to put the money go back to the state if it isn't being used

Might likely have to have a legislative change to do that; has to be either used or pile up according to statute

Matt Kaufman suggested we scale back or stop funding for a time; reallocating money in the problem gambling account hasn't been discussed so it's hard to say that we aren't still fulfilling the obligation; possibility to address this as it comes up

Dave Bonner stated that we can't do it directly, according to statute, and but it can through promotions to increase revenues

Time to move on to other business; refer this to the marketing committee

Proud of what we we're able to do for the audit; thanked all involved

Financial reporting has come a long way in 3 years

Motion made by Ross Newman to approve the audit results as presented. The motion seconded by Jim Whalen and the motion passed by a unanimous 8/0 vote.

### **Sales Report:**

Mr. Clontz presented the following updates:

Total sales for FY2015 v FY2016 outlined

Powerball sales FY2015 v FY2016 outlined

Mega Millions sales FY2015 v FY2016 outlined

Powerball & Mega Millions sales FY2015 v FY2016 outlined

Cowboy Draw sales FY2015 v FY2016 outlined

Actual v Revised Projected sales for FY2016 outlined

Both Powerball & Mega Millions are jackpot driven games; nice thing about Lucky for Life is it isn't jackpot driven

Mega Millions & Powerball affect each other with increases in sales, as one or both increase

Cowboy Draw is a very popular game; hovered much higher than expected; people are loyal to the game

Current Revenue chart outlined section by section

Reserve will increase; operating costs decreased due to reductions in marketing

Higher return with Lucky for Life compared to Cowboy Draw; payout more than multi-state games

Actual v Projected Weekly Sales Totals for FY2017 outlined

Exceeded sales goals in Q1

Redundant, but to mean that jackpots drive sales

### **NCPG Review:**

Staff attended; one coming up in February

Goal to have Lottery be certified in problem gambling; need to get everyone exposed to training

Conferences are the best way to network and get exposure to this

There is a lot of information brought back to gain expertise in this subject

Continue to have a presence; Keith Whyte impressed we want to be active partners with them

Research on increased problem gambling related to instant tickets are very small; the problem came from those who already have existing and more pressing issues

Sandi Chitwood validated this from network connections made at NCPG in New York with recent data

Largely discuss VLTs and table games at these events; good to have this information

### Focus Group Update-L4L:

Robin Reining stated Intralot put on the focus group for Lucky for Life; got a variety of different demographics

Popular among all player types; motivated to play due to prizes

Liked that the top prize carried a 20 year guarantee

Product has great potential to be successful in Wyoming, with more education

Felt price was high until they learned more about the game

Strong desire for more training for retailers; confusion even about multipliers

Need to do better to broadcast when we have high jackpots

Opportunity to get out there and educate more

### Lucky for Life Game Rules:

Have discussed these in all sub-committees and pretty standard

Goal is to move forward with these so we can go forward with the game

Can buy 20 draws in advance, as other games

Motion made by Jim Whalen to approve the Lucky for Life Game Rules as presented. The motion seconded by Gina Monk and the motion passed by a unanimous 8/0 vote.

### **Marketing Report:**

Ms. Reining presented the following updates:

Brand standards to adhere to with Lucky for Life; important to have Wyolotto included, as it is with other games

Brings consistency

Creative Direction Development; make it fit in more with our products

Own the "Feelin' Lucky?" as no one else is using it

Went with orange; Mega Millions is green so we moved in a different direction

Signage changes; created Carmana toppers with no jackpots to display

Created brochures, playslips, etc.

Get retailers excited about the game with retailer training

October 3-7; discussed locations visited by Intralot and staff

Around 176 retailers attended; thanked board members for attendance

Retailers excited about different product

Want to help their sales and increase foot traffic for them

LSRs went out after the training to go reach out to do one on one training with those who were unable to attend

Giveaways have been very successful with the lottery

Product almost ready to sell; generating a lot of excitement

Dec. 5<sup>th</sup> is the media event at the Cheyenne Depot; invitations will go out before the event

One winner for the vehicles; another giveaway coming

Amazing amount of coverage received during PR Roadshow

Made it easier to coordinate

Media drives people to enter the giveaway

Goals and results for PR Roadshow discussed; goals exceeded, very successful

Campaign development to create personality for the product

Campaign materials rollout on December 4<sup>th</sup>  
Storyboard outlined; production done – 1<sup>st</sup> cut viewing on Thursday  
Media event presented concepts; fun day and a lot to talk about  
Announce winner of giveaway; announce details of new giveaway  
Ireland Giveaway promotion outlined for both player and retailer; enter by code on the bottom of the ticket-can enter up to 10 times to motivate sales  
Successful with Powerball code giveaway also  
Measure sales over time frame of giveaway for last year vs. this year; not mom & pop against a bigger convenient store  
Once selected highest sales per county; names entered will be staff that worked during that time period; really excited at retailer training  
Vehicle giveaway was no purchase necessary and Ireland giveaway will tie to sales  
Thanked team for coming up with way for the giveaway to be fair for the retailers  
Cost effective to give away vehicles to same person  
Would've separated if we didn't have the Ireland giveaway as well  
\$589,00-\$850,000 for new game cost; came in right about \$700,000 from Powerball run up for cost of promotion-scaled it back a little but within the budget parameters we set; on budget and on time  
Spent \$1 million launching Cowboy Draw; goal was to spend less with a lot more free media  
Save some money from all the free media; \$250,000 less than Cowboy Draw launch  
Working to maximize media; stiff goals for media attendance and create buzz  
Excited to get going for launch  
"We do it bigger, we do it better in Wyoming" outlook from Sandi Chitwood when asked about the giveaway, as she didn't know why exactly both vehicles were going to the same person  
Wanted the lottery to give it away for free, not with hidden costs so that is why there's the added cash as well  
Good cost for vehicles and got good response about selection; a lot of truck giveaways at CFD  
Heard great feedback for giveaways; keep board updated as things move along

Switched things up this year for our summer sponsorships to be present around the state  
**CFD** outlined in detail

A lot of gratitude for staff, to pull this off without Warehouse 21 staffing; went remarkably well  
Military Appreciation Day winners very appreciative; a lot of fun  
Sandi Chitwood and Mark Macy attended concert with winners  
Discussed sponsorship benefits; great presence at CFD  
Sponsor Day/Military Day giveaway very popular  
Significant sales

**Park County Fair** outlined in detail

Huge success with cash giveaway; players get so excited with this kind of thing  
Reached another part of the state we haven't previously

**Sweetwater County Fair** outlined in detail

Great stories from cash giveaway at event; picture with winners for social with Sandi Chitwood  
Sales at this event; media attendance benefit  
Other benefit was a lot of county commissioners were out and about, typically when those

people are out doing the “handshaking”; same people we try to meet with were there

**Wyoming Downs** outlined in detail

Very relevant and excited to see us out there; sold tickets at this event as well

Huge benefit in Utah attendance

**Beartrap Music Festival** outlined in detail

Talking to media; certain stations that love to meet with Jon

Continued to do cash giveaway

**Sundance Sturgis Burnout** outlined in detail

Able to sell tickets, hand out swag, and have fun with players

Interviews at this event; maximize exposure

Trying to look at not only spreading out throughout the state, but find niches to appeal to

Birthday Social Giveaway celebrated with fans on social

Only on Facebook; had tremendous response; fun to read all of the comments

When people are responding and engaged, it’s impressive

UW Sponsorship outlined

Handed out flyers to have people enter for the vehicle giveaway

Cost included in sponsorship dollars for UW giveaway

Giveaway outlined; response was exciting

Next steps include Lucky for Life go live, giveaway, media event and mass digital campaign

Like to schedule media events to maximize media attention

Ideas of what events to attend have come from the board; put everything through a process to make sure it works with our message, venues both large and small

Decided to keep UW; one university with a football team

Didn’t resign contract with CFD, but doesn’t mean we won’t participate

Sponsorship page on website for outside consideration

### **Lottery Activity Update:**

Mr. Stevens presented the following:

Walk through of highlights of the policy; hopeful for approval

*IT Security Policy* vetted also through Greenhouse Data

Policy intended to safeguard information and protect assets

Already being used and implemented; just outlined on paper

VPN and remote access briefly covered

Continuous monitoring; gaming system, lottery network, etc. done by outside vendors and security

Retired IT inventory and employee separation discussed

Fail over planned for February 2017 and disaster recovery in process

Standard password authentication, physical environment protection for our gaming system

Information System Monitoring continuously monitored by Greenhouse Data

Industry headed towards cloud computing; added to policy for the future

Motion made by Dave Bonner to approve the IT Security Policy as presented. The motion seconded by Jim Whalen and the motion passed by a unanimous 8/0 vote.

*Problem Gambling Policy* outlined by Jon Clontz

Capture board decisions and legal determination

Statute taken into an operation policy

Acknowledgement between WDH & Wyoming Lottery Corporation of how money is used

Cannot be overstated that the contribution of up to \$200,000 is annually; change verbiage to include board approval in last sentence of third paragraph

Intent is setting forth the discretion of the board; problem gambling account doesn't have to be funded any further if it will exceed \$200,000

Motion made by Dave Bonner to approve the Problem Gambling Policy with amendment suggested. The motion seconded by Gina Monk and the motion passed by a unanimous 8/0 vote.

*State Transfer Policy* discussed; need to be in alignment with auditors

Language discussed; incredibly influential in development

Quarterly distribution to the state; can be fixed in the next quarter

Can't be controversial to make changes in the following quarter

Purpose of policy is to stay in alignment with MH&P

Felt it might be good for board to look at how we document those transfers

Work on a system through sub-committees for the future

Finance sub-committee made in accordance with policy

Can add language and vet through sub-committee

Motion made by Dave Bonner to approve the State Transfer Policy with amendment suggested.

The motion seconded by Jim Whalen and the motion passed by a unanimous 8/0 vote.

### **Closing Remarks:**

Chairman Macy opened the concluding discussion:

No objections to agenda alteration to continue other discussions needed

Line of Credit discussion in case it is needed

Not a bad idea to send to sub-committees to see what options we have and bring it to the next meeting

Explanation on board insurance change by Jon Clontz; no gap in coverage

Franchise owners/retailers with contracts are wanting winning jackpot incentives

Back to original forums, told them he would look into it

Requires board approval; asked for legal research and data collection by Wyolotto to make appropriate choice in regards to this

Not as simple as many maybe think it should be; put together a plan

Not something that will happen overnight; do get validation bonuses

Tried to reward them in numerous ways; have to be realistic about what is presented to the board; come back with a recommendation in January or April

No objection to adding agenda item about donation to Brian Scott Gamroth's family

Accidental death benefit for family and receiving settlement, but hasn't filed paperwork yet

Honoring Brian, we can contribute to fund requested by family

Internal memorial will be simple but thoughtful

Message to the family that we care about them

Can find a place in the budget for a contingency such as this  
Some kind of public recognition to extend gratitude

Motion made by Mark Macy to approve \$2,500 contribution to his family directly. The motion seconded by Sandi Chitwood and the motion passed by a unanimous 8/0 vote.

Vice Chair nomination as next vice chairman is Sandi Chitwood. Accepted by Sandi Chitwood.  
Any changes wanted in sub-committee assignments by board members, please bring them up between now and the next meeting

Next board meeting dates previewed for discussion. Macy Holmes to send out email to confirm dates.

Motion made by Ross Newman to go into executive session, via WY Statute Sect. 16-4-405(a)(x). The motion seconded by Dave Bonner and the motion passed by a unanimous 8/0 vote.

**Meeting Adjournment:**

Chairman Macy announced closure of meeting. Meeting was adjourned at 1:28 p.m.