

WYOMING LOTTERY CORPORATION

Board Meeting Minutes

April 26th, 2019

Cheyenne, Wyoming

Board Members Present: Sandi Chitwood-Chairman, Gerry Marburger-Vice Chairman, Dave Bonner-Secretary, Gina Monk, Ross Newman, and Jim Willox.

Board Members via Teleconference: Mary Throne joined at 10:50 a.m.

Board Members Absent: Sandra Wallop

Staff Members Present: Jon Clontz-CEO, Robin Medina-COO, Loy Jackson-CFO, Dave Stevens- Security Manager, Alisha Pineda- Marketing Manager, Jessica Pastoriza- Player Services Specialist and Sarah Shoden- Executive Assistant.

Staff Members via Teleconference: None

Guests Present: Matt Kaufman-Legal Counsel, Mark Larsen- President of the Petroleum Marketers Association

Guests via Teleconference: Jennifer Bohlig- Intralot

Establish Quorum:

Chairman Sandi Chitwood called the meeting to order at 8:33 a.m. with a roll call of board members and staff members. All guests were welcomed.

Approval of Meeting Minutes:

The motion was made by Board Member Jim Willox to approve the minutes from the January 28th, 2019 Quarterly Board Meeting with amendments. The motion was seconded by Board member Gina Monk and the motion passed by a unanimous 6/0 vote.

Amendment made by Secretary Dave Bonner:

January 28th meeting minutes to include the proposed and approved Budget Amendment Request amount of \$341,000. This was voted on during public session and unanimously approved.

Board Appointment:

Mr. Matt Kaufman, Wyoming Lottery's legal counsel, presented to the board the vote tally in regards to the Vice Chairman position. The voting had taken place previously through an email administered by Mr. Kaufman. Board Treasurer Gerry Marburger was named as the Vice Chairman of the board.

Board Secretary Bonner made note that with the transition there would now be a new opening for Vice Chairman Marburger's existing position as the Board Treasurer. Board Chairman Chitwood and Mr. Kaufman agreed that the same voting process would be repeated leading up to the next board meeting to determine the newly opened Treasurer's position.

Board Member Ross Newman took this time to announce that at the end of his term in June 2019 he would be stepping down from his position on the board of directors. Chairman Chitwood made note that there will now be (2) openings on the board of directors that will need to be filled. Mr. Kaufman also made note that Chairman Chitwood's term end as acting Chairman was approaching and would need to be voted on during the next board meeting. Secretary Bonner also noted that his term end was also approaching and shared his decision to continue for another term.

CEO Jon Clontz invited Board Member Newman to the July board meeting, tentatively set to take place in Cheyenne to coincide with the grand prize drawing for Ragtime Raffle at Cheyenne Frontier Days. Board Member Newman replied that he would try to accommodate that date.

Motion was made by Board Member Newman to approve the Vice Chairman Appointment. The motion was seconded by Secretary Bonner and the motion passed by a unanimous 6/0 vote.

CEO Report:

Wyolotto CEO Jon Clontz presented the following Quarter Three (Q3) overview report:

Mr. Clontz began with a summary about the upcoming game, Ragtime Raffle. He noted that everything was in production and set to go out on time for the summer launch. Mr. Clontz gave an overview of the decision to partner with Cheyenne Frontier Days for a sponsorship contract. He noted that in previous years those funds had been utilized to support smaller events across the state to ensure equal coverage. Mr. Clontz stated that the current sponsorship contract will be for (1) year only and will be determined later on whether to extend it further. Mr. Clontz then went on to summarize Ragtime Raffle and their excitement to test out a new game format for the state.

Mr. Clontz then discussed the status of Keno. He stated that his team had completed the first phase of research regarding the game and had been given the approval to move into phase two. He covered that phase two's primary goal is to propose the funding source for Keno as well

as setting up a project plan including testing. Mr. Clontz shared that they would review funding source options during Executive Session.

Mr. Clontz noted a meeting he had with Governor Gordon and his policy advisor Rob Creager. He shared that Governor Gordon sent compliments and regards to the board. During this meeting Mr. Clontz was able to share updates in regards to Keno to the Governor, to which he requested additional information to learn more, but generally felt positive about the game. Mr. Clontz noted that while the decision to implement games, like Keno, does fall to the determination of the Board of Directors he was pleased to receive positive feedback from the Governor.

Mr. Clontz concluded his discussion on the topic of Keno noting that based upon which funding source the board approves, he would then be able to work alongside his staff and the gaming vendor to determine the launch date.

Mr. Clontz then introduced Mr. Mark Larsen, President of the Petroleum Marketers Association. This was a follow up to the request made by both Mr. Jay Snyder, President of Red Horse Oil Company as well as Mr. Larsen to the Wyoming Lottery. The request pertained to a report to monitor clerks sales and activity levels at the terminal level. Mr. Clontz stated that he and his team had conducted extensive research and met with their gaming vendor, Intralot, to determine if there was a way to create such a report. They then followed up with both Mr. Larsen and Mr. Snyder to share their findings and had found an option that could satisfy their request. COO Robin Medina noted that during the next software release this fall, that this report would potentially be included.

Secretary Bonner questioned if this will be an ongoing report. Mr. Clontz responded that it will. Mr. Clontz followed up to clarify that by creating this report, Wyoming Lottery will not be responsible for losses detected but instead hopes that the data supplied will best support retailers. He shared that no other jurisdiction has this type of reporting and once this is ready for launch that all retailers will be notified. He also noted that after launch, the lottery will follow up with both Mr. Larsen and Mr. Snyder on the status of the report. Chairman Chitwood shared that this type of report could become standard and then asked if this was the only planned update for the next software release. Mrs. Medina responded that there were an additional four or five other items that are planned to happen at that time as well.

Board Member Willox questioned whether there would be the ability to see how many retailers are utilizing the report once it goes live. To this Mrs. Medina responded that it will. Mrs. Medina then covered that the retailers who utilize unique clerk codes will be able to track transactions with this report as the employees sign in and out of the system. Mrs. Medina then went on to further clarify the continued need for signing in and out of the system, to ensure the reports accurately tie the right employee to the right code within the report. Questions did arise if there were any worries to accuracy and timing of signing in and out of the system. Mrs. Medina that they did work closely with both Mr. Larsen and Mr. Snyder to ensure this report would work the

best for their retailers and that the training of utilizing the “sign in/ sign out” feature will ultimately fall to the retailers.

Mr. Clontz then went on to give an update of the upcoming retailer forums. He mentioned that the board members would be notified should they want to attend. Board Secretary Bonner asked if Keno would be covered during this forum, to which Mr. Clontz stated that it would. He also stated that for Keno there are plans for a more extensive education initiative to ensure both retailers and players understand how to play prior to launch. Board Member Willox asked who the primary audience would be for the forums, to which Mr. Clontz responded that they’ve asked the retailers to send whom they believe is the best person to then train their team. Chairman Chitwood followed up stating that retailer owners should also be invited as there is employee turnover and they should understand how the lottery games and tickets work.

Board Secretary questioned whether they would be able to educate on Keno without the terminals in place, to which Mr. Clontz responded that there was a certain level that could be done initially and then following launch there would be continued training follow ups. He mentioned they are reviewing the potential list of new retailers and would share that with the board.

Mr. Kaufman then briefly covered the topic of skills games in regards to the recent legislative session. He shared that skills games were not approved by the legislature and that upon meeting with them they informed Mr. Kaufman that they were voluntarily dropping their lawsuit against the Attorney General and had no further plans to bring skills games in front of the legislature for legalization. He covered the issue of how the skills games have stated that the retailers that their games are currently located at makes them the exclusive form of entertainment game in those establishments. Mr. Kaufman said that all interactions with them thus far have been friendly but as the topic of Keno continues to rise there may be forthcoming issues to prepare for. He ended saying he was unsure of what will arise from this but will continue to monitor it.

Mr. Clontz then stated that the board strategic planning is still scheduled to happen but will likely happen in either August or September. Board Member Newman brought up the recommendation of a refresher of general board training on roles and responsibilities. Chairman Chitwood agreed as there would be new board members joining as well.

Mr. Clontz then reviewed the record transfer to the state as well as the recent over \$1 million transfers that had happened previously. He also made mention of the two recent awards; both the La Fleurs award for the recent Giving Back video and the PRGI Sharon SHARP for the largest juristication increase in returns to the state year over year. Wyoming Lottery’s increase was over 79%.

Mr. Clontz then covered compliance in regards to the recent audits. He stated that all recent audits had gone extremely well and he was pleased with the outcome. Board Member Willox

questioned about receiving a copy of the MUSL audit, to which Mr. Clontz replied that he would send all board members a copy very soon.

Mr. Clontz then reviewed a request that would be further reviewed during the budget review to cover costs for a Gaming Lottery Institute or GLI systems review testing. He shared that many lotteries conduct GLI testings and this is a complete systems and process audit. Mr. Clontz stated that since Wyoming Lottery has been in place now for several years that it is time to conduct this. Mr. Clontz noted that there is nothing wrong with the system to warrant this, but instead he and Mrs. Medina believe this is a best practice option that should be considered to add in Wyoming Lottery's policy to do every (4) or (5) years. He noted the cost would be roughly \$50,000 and would be covered in more detail during the FY '20 budget review later in the meeting.

Mr. Clontz then took a moment to introduce new employee Sarah Shoden to the Board. He summarized that Sarah had come from Warehouse Twenty One and had been closely involved with the lottery since before launch. He shared that Sarah had managed the social media accounts for the Wyoming Lottery during her time at Warehouse Twenty One and shared that alongside her current Executive Assistant position, she would also be bringing the social media management in house starting in May.

He shared the current retailer count of 451 and mentioned that (4) additional terminals will be added during Cheyenne Frontier Days, one of which will remain permanently after the event ends. In addition there are ongoing conversations with Walmart in regards to adding lottery terminals to their locations. Currently the conversations will continue to determine if the rules and regulations allow the terminals and the team will share further updates as they have them.

Mr. Clontz then gave a high level review of retailer commissions currently. He shared that retailer commission since the launch are over \$8 million dollars and retailer validations are over \$195,000. He then shared that prizes awarded to winners is over \$55 million and the amount transferred to the state stands at over \$13 million. He concluded that this totals the dollars going back at over \$77 million. He then made mention of the total collected on back owed child support has been over \$42,000.

Mr. Clontz followed up with a summary in regards to contract totals. He made mention of the contract with Warehouse Twenty One has continued to reduce to \$600,000. He noted that he felt confident with this amount as they did not want to reduce the budget to an amount that would negatively affect the promotion and support of the games. He expressed gratitude to Warehouse Twenty One and their CEO Dave Teubner for being gracious with contract amendments along the way.

Mr. Clontz then concluded by thanking the board for their continued support and time.

This concludes Mr. Clontz's report.

Mr. Mark Larsen Address to the Board

At this time Mr. Larsen, the President of the Petroleum Marketers Association requested to address the board. Chairman Chitwood approved.

Mr. Larsen expressed his gratitude to the board and staff. He made note that he did not vision this level of success for the lottery to occur so quickly and expressed his joy in being a part of it. He then thanked Mrs. Medina and Mrs. Jennifer Bohlig of Intralot for their commitment to review and work through he and Mr. Snyder's report request. He made mention that since their initial request several retailers have shared their support as they did not believe such a report was possible. He expressed how this report will greatly assist retailers in balancing out their point of sale reports to ensure everything is in compliance.

He then followed up on Board Member Willox's questions in regards to Keno training that he might suggest a Keno training film. He shared that many retailers can be set up to house video trainings and that "how to play Keno" videos could be implemented into new employee training. He stated that if the lottery provided the videos, they would ensure they were shared with their retailers. Mr. Clontz responded that this is something they will do.

Secretary Bonner shared that he is happy to hear of Mr. Larsen's positive support of Keno. Secretary Bonner asked Mr. Larsen if his support was known to the public and legislative audiences. Mr. Larsen responded that it will be and that they are excited for what Keno can bring to their locations. He stated that his initial resistance to support for Keno was not having the reporting capabilities which now thanks to the lottery and Intralot, they do.

Chairman Chitwood shared that initially when they had requested about this type of reporting to Intralot they had been told "no" and that no other jurisdiction had such a report. She then continued that when the request came in again from Mr. Larsen and Mr. Snyder the answer had changed. She shared her excitement on the progression on this topic.

Mr. Clontz then thanked Mr. Larsen for his patience as the lottery team worked through the process. He made mention that Player Services Specialist Jessica Pastoriza had provided a lot of assistance in guiding best practices on how to implement the report.

Mr. Larsen concluded by expressing an apology to Mr. Kaufman for occurrences that had taken place during legislative session in regards to lottery statute revisions during Mr. Larsen's leave of absence. Mr. Kaufman thanked him and noted they had no further issue.

This concludes Mr. Larsen's address to the board.

Finance & Accounting Report:

Wyolotto CFO Loy Jackson presented the Quarter Three (Q3) Financials Report. Motion was made by Board Vice Chairman Marburger to accept the financials as presented. The motion was seconded by Board Member Newman and the motion passed by a unanimous 6/0 vote.

Mrs. Jackson provided the following financial updates:

Q3 Financials:

Mrs. Jackson began with a review of the balance sheet. She began by noting the checking balance was lower in comparison to the previous year by over \$442,000. She noted this is due largely to the transfer difference and the operating account was under as well.

She then noted the unclaimed prizes account has increased as well by over \$486,000. She made mention that with the new statute revisions these funds may be utilized in other areas. Board Member Newman questioned if the recent Lucky for Life unclaimed prize was a portion of this, to which Mrs. Jackson responded that it was not. Chairman Chitwood voiced in that should that winner not claim their prize before the 180 days is up, the funds will remain with Lucky for Life and will not go towards Wyoming Lottery's unclaimed prize account. Mrs. Jackson noted that typically 6 months after a big jackpot this amount does increase as that is when those winners are no longer valid. Secretary Bonner questioned if that account zeros out at the end of the fiscal year, to which Mrs. Jackson responded that it does not meaning that the total over \$1.2 million has been accumulating since the launch of the lottery.

Mrs. Jackson then reviewed the liabilities and equities in regards to the previous year with minor notes. She pointed out the transfer payable to be less due to the smaller sales during this fiscal in relation to last.

She then covered the profit and loss statement with minor notes as well. She did clarify that in the operating expenses the board expenses seem higher but this only because of having to combine two quarter payments into one while waiting for the determination of the IRS. Also the accounting fees vary by \$27,000 due to be billed up front in one quarter. She continued on to note that legal expenses increased to the work done during legislative session and the revisions to the lottery statute. She also made note that the facilities and equipment decrease was due to depreciation. She then covered the infrastructure development budget which has been put in place to cover the anticipated costs for upcoming games.

Mrs. Jackson took note of the overall income revenue for this fiscal in comparison to last. Currently this year has an increase of over \$7 million dollars due largely to the bigger jackpots during the early quarters.

She then went on to cover the additional comparison from this fiscal to the next with minor notes. Secretary Bonner asked the question in regards to the nearly \$26,000 increase in outside services was due to in total to contracting with Jonathan Downing. Mrs. Jackson responded that

this was not the case as a portion of the amount was due to a temporary position fill for the Executive Assistant.

She then noted the interest income this fiscal was over \$10,000. Mrs. Jackson concluded the profit and loss review by pointing out the infrastructure budget of over \$851,000 which has been added to during high jackpot times to best prepare for known upcoming expenses in regards to new game infrastructure for both Raffle and the anticipated costs for Keno. She went on to mention that whatever portion of these funds are not utilized for new game infrastructure they will go towards the state transfer. Board Member Newman made a comment about the success of the transfers and excitement to see the totals.

Board Member Willox questioned if the reporting in regards to the savings account would change as a result of the changes to the statute, Mrs. Jackson responded that she had not considered it at this time. Mr. Clontz followed up that they were considering having MHP review the updated statute to ensure everything was still in accordance due to the revisions. Mr. Kaufman followed up his suggestion to include a review of the reporting on the balance sheet as well.

Mrs. Jackson then covered the budget versus actual sheet in regards to profit and loss. The previous notes were pointed out including the infrastructure account. She made mention of the increase in income coming in over 152% over what was budgeting due largely to the bigger jackpots.

Mrs. Jackson concluded her report with a review of the status of Responsible Gambling budget.

Board Member Newman commended Mrs. Jackson's financial work and reporting for the lottery. Vice Chairman Marburger agreed with Board Member Newman on Mrs. Jackson's work.

Mary Throne joined the meeting via teleconference at this time.

FY' 20 Draft Budget Review:

Wyolotto CFO Loy Jackson then presented the proposed budget for the upcoming FY'20 fiscal.

She began by stating that now that the Wyoming Lottery has been in business for several years, there is more historical data to consider when building these budgets. She then noted that the budget management is divided between the lottery staff members to ensure they feel more included in the decisions made by the company.

Mrs. Jackson began by noting the proposed income expected, would include Ragtime in comparison to this fiscal. She then covered the business expenses and contract services budgets which had some changes to better suit the upcoming needs in FY' 20.

COO Robin Medina then reviewed the proposed marketing budget line items. Mrs. Medina noted that while the expenses to Warehouse Twenty One have been continually reviewed to stay within a \$600,000 range, the proposed budget does have an additional \$20,000. She explained that this is to best support the Ragtime Raffle and to properly build that infrastructure to be utilized in the future. She noted that this could have been higher, but by bringing social media management in house it balanced out the contract.

Mrs. Medina then noted the sponsorships and events difference of \$10,000. She noted that in the previous years rodeo support was taken out but was brought back this upcoming fiscal to best support the launch of Ragtime Raffle.

She then noted saving efficiencies in regards in internal marketing, retailer marketing, retailer forums, and swag. She took note to point out the significant difference on swag of \$25,000, Mrs. Medina explained this was significantly higher this fiscal to support the Spin-to-win events. She finalized her marketing review to note the \$70,000 cost for digital marketing. Mrs. Medina explained that this cost would be for the Wyoming Lottery to create an app. She reviewed the benefits of an app to reach their demographic and how it would assist players. Board Member Willox questioned the additional benefit on top of the existing Wyolotto social media profiles. Mrs. Medina responded that the app will offer another line of communication to players as each player prefers one over another. Chairman Chitwood added that the app would allow the potential to reach the younger player demographic. Board Member Willox followed up to ask if the app would have the ability to scan tickets for winning numbers, to which Mrs. Medina responded that it will.

Secretary Bonner questioned if the University of Wyoming sponsorship was included in the sponsorship budget, to which Mrs. Medina responded that it was.

Mrs. Jackson then continued to review the budget. Board Member Willox asked for clarification if there was continued budget to cover costs for Jonathan Downing, to which Mrs. Medina responded that they had a current 6 month contract with him and could utilize that time frame when necessary.

Mr. Clontz then covered the line item in regards to a new company vehicle. He made note of the mileage increase on the current vehicle, but that he was unsure if it had come time to replace it. Chairman Chitwood made the suggestion to leave the vehicle replacement line item in the budget should issues arise. Board Member Newman added that if it doesn't need it this upcoming fiscal then those funds could be transferred onto the next fiscal. Board Member Willox included that he would like to see a "capital replacement" line within the budget for every year that could be added onto in preparation for fleet vehicle repairs or replacement. He continued that he believed that the funds set aside should be utilized as is, when needed, but to move forward to create the fund in the future.

Mrs. Jackson continued to cover the budget line items, noting the IT equipment. Mr. Clontz followed up that they are still in the process of attaining ipads for the Board Members. Board Member Newman made comment that he found more use in having internet setup at his house in comparison to receiving an ipad. Board Member Willox agreed that he would rather see a fund for additional IT support for the board rather than each board member receiving an ipad.

Mrs. Jackson then covered the operating expenses. After noting the office costs are planned to go down as there will be less anticipated updates and remodeling done. Board Member Willox made a recommendation to consider creating a “capital building” expense line similar to the fleet replacement line recommendation. He explained that this account would again be added to year by year should a need arise. Board Member Willox continued that any large expenses would still need to be approved by the board from this account, but that these funds would already be available during that request.

Board Member Willox brought up the suggestion of looking into a money market account for the future. All agreed that it was worth reviewing options.

Board Member Bonner questioned if the budget would be given final approval during Special Session in June, to which Chairman Chitwood responded that it would.

Marketing & Sales Report:

Wyolotto COO Robin Medina presented the Quarter Three (Q3) Marketing Report.

Mrs. Medina provided the following marketing updates:

She began with the review of total sales for FY19 actual vs projection. She made note that overall sales are over projection by 53.16% due in large to the record jackpots for both Cowboy Draw and Mega Millions during Q2. She then continued to review the sales comparison between FY19 to FY18 as well as the actual weekly sales review. Mrs. Medina then continued to review each games’ sales reviews noting the large jackpots and promotions.

Mrs. Medina then reviewed the sales projections for 2020. She made note that the projections were made based upon a review of the current fiscal as well as a review of FY18 where the total sales were over \$28 million with only the four games being offered. She made mention of the Ragtime Raffle sales in both FY’19 and FY’20 based on the fiscal year split of June to July.

Secretary Bonner questioned if the Powerball promotion was impacting sales, to which Mrs. Medina responded that with an increase in overall jackpot amounts it gets difficult to say that the promotion is the only result for the increase in sales. She then followed up that there were over 70,000 entries into the giveaway which were all added to the email subscription list and will be very valuable in communication in regards to the upcoming promotions and games. Chairman Chitwood asked if there was any consideration in creating a BOGO for Roundup similar to the

BOGO Cowboy Draw promotion. Mrs. Medina responded that they would have to review the numbers at the \$13 price point, but it definitely would be worth further consideration.

Mrs. Medina then reviewed the marketing report. She made note of PR, social media, website and email. She then covered the campaign updates. She made mention of the Giving Back Campaign, UW Lucky Row Promotion, the Powerball giveaway and the upcoming Ragtime Raffle game launch. She covered the brand for Ragtime Raffle and how it resonates with Wyoming culture. She then made mention of the final winning number announcement that will take place on the final Sunday of Cheyenne Frontier Days.

She concluded with a review of the Wyoming Responsible Gambling media buy and the upcoming promotions and events.

This concludes Mrs. Medina's sales and marketing presentation for Q3.

Governance Update:

WyoLotto Security Manager David Stevens presented the rules for Ragtime Raffle.

Mr. Stevens summarized the rules for the upcoming game, Ragtime Raffle. Board member Monk questioned how many tickets could be purchased at one time, to which Mr. Stevens responded that it was five to stay in accordance with the statute. Board Member Willox questioned if the tickets purchased at one time would be sequential; Mr. Stevens responded that it would depend if someone else was purchasing at the same time across the state as the terminals are all linked together. Mr. Stevens explained that each number will have its own ticket. Board Member Willox asked if the winner for the first drawing would still be eligible for the remaining drawings, to which Mrs. Medina responded that each ticket is valid for all drawings including the grand prize whether they win the previous drawings or not.

Mr. Stevens also made mention of the ticket counter that will be live on both the pads at the retailers as well as the website.

Board Member Monk moved to adopt the Ragtime Raffle rules as presented. Board Member Newman seconded and the motion passed by a unanimous 7/0 vote.

Wire Act Update:

Mr. Matt Kaufman then reviewed the current issue that has arose for lotteries in regards to the Wire Act. Mr. Kaufman gave a brief synopsis of the history of the Wire Act. He then noted that in December of 2018 the Department of Justice updated the Wire Act interpretation and concluded that it not only covered sports betting but all forms of gambling taking place over any form of wire communications. Based on this decision, in January 2019 several state lotteries began to review the best action plan in response. New Hampshire was the first state lottery to file suit against the United States Government that the new interpretation was incorrect. Mr. Kaufman

made note that a few others lotteries have filed suit and that Wyoming Lottery was invited to file an amicus brief in an effort to provide support and share concerns and opinions. He noted that in the times they had been presented this opportunity it had been with too limited of a deadline to accurately respond and therefore have passed. Mr. Kaufman followed up that during this time he has kept a close eye on the developments as this is an important issue. He made note of the memo made by the Department of Justice that no enforcement actions would be taken until after June 14th.

Mr. Kaufman then went on to note that he had been in communication with the United State Attorney for Wyoming who shared that there were no plans to prosecute and should it arise they would notify the Wyoming Lottery so that amendments could be made to the operations if needed to stay in compliance. Mr. Kaufman shared his opinion that the current issue is at too large of a scale to be concerned about at an individual level and that he felt that by June 14th something will be changed in regards to the overall Act itself.

Board Member Willox voiced his concern on not having some sort of action on the books should things escalate, to which Mr. Kaufman responded that the majority of other states had not taken action at this time either.

It was determined that Mr. Kaufman would continue to monitor the situation closely and would update the board should the situation change.

Executive Session:

Motion to move into executive session was made by Board Secretary Bonner. The motion was seconded by Vice Chairman Marburger and the motion passed by a unanimous 7/0 vote.

Executive Session Follow Up:

Upon return to public session the motion Board Secretary Bonner motioned to approve the increase in pay for CEO Jon Clontz by 6% of the current rate. The motion was seconded by Board Member Newman and the motion passed by a unanimous 7/0 vote.

Meeting Adjournment:

Chairman Chitwood announced the closure of the meeting, with the motion being made by Board Member Newman. The motion was seconded by Board Member Monk and passed with a unanimous 7/0 vote. The meeting was adjourned.