

MINUTES
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING

Dr. Richard Abernathy, Chair

Monday, June 4, 2012

1:00 p.m.

1400 West Third Street
Little Rock, AR 72201

Board Members Present

Dr. Richard Abernathy, Chair
Beverly Leming, Vice Chair
Lloyd Black
David Cauldwell
Hazel Coleman
Dr. Tom Kimbrell
Danny Knight
Bobby Lester
Susannah Marshall, designee for Candace Franks
Donna Morey
Robin Nichols
Janelle Riddle*

Board Members Absent

Honorable Charlie Daniels
Honorable Martha Shoffner
Jeff Stubblefield

Guests Present

Chris Caldwell, Division of Legislative Audit
Sarah Ganahl, Bureau of Leg. Research
Erika Gee, Attorney General's Office
Steve Singleton, ARTA
Charles Tadlock, ARTA

**via teleconference*

Staff Present

George Hopkins, Director
Gail Bolden, Deputy Director
Brent Barrett, Senior Software Analyst
Will Crow, Extra Help - Legal
Kay Daniel, Director's Assistant
Amy Glavin, Administrative Assistant
Rod Graves, Ret. Investment Specialist
Wayne Greathouse, Dir. Public Markets
Manju, Dir. Data Processing
Tammy Porter, Paralegal
Michael Ray, Dir. Member Service
Gaye Swaim, Operations Administrator
Leslie Ward, Dir. Private Equity
Brenda West, Internal Audit/Risk Mgmt

Consultants Present

Michael Bacine, Franklin Park
Chae Hong, Hewitt EnnisKnupp
Judy Kermans, Gabriel, Roeder, Smith & Co.
Brian Murphy, Gabriel, Roeder, Smith & Co.

Reporters Present

Mike Wickline, Arkansas Democrat Gazette

- I. **Call to Order/Roll Call.** Chair, Dr. Richard Abernathy, called the Board of Trustees meeting to order at 12:59 p.m. Roll call was taken. Honorable Charlie Daniels, Honorable Martha Shoffner, and Mr. Jeff Stubblefield were absent.

- II. **Motion to Excuse Absences.**

Ms. Leming moved to excuse Honorable Charlie Daniels, Honorable Martha Shoffner, and Mr. Jeff Stubblefield from the June 4, 2012, Board of Trustees meeting. Ms. Coleman seconded the motion, and the Board unanimously approved the motion.

III. Adoption of Agenda.

Ms. Nichols moved for adoption of the Agenda. Mr. Lester seconded the motion the Board unanimously approved the motion.

IV. Executive Summary. The Executive Summary was provided for reference with no questions or expansions on the written summary.

V. Approval of Minutes.

A. Minutes of April 2, 2012.

Ms. Leming moved for approval of the Minutes of the Board of Trustees meeting of April 2, 2012. Ms. Coleman seconded the motion, and the Board unanimously approved the motion.

B. Minutes of April 30, 2012.

Ms. Coleman moved for approval of the Minutes of the Board of Trustees meeting of April 30, 2012. Ms. Morey seconded the motion, and the Board unanimously approved the motion.

VI. 2012 ATRS Board of Trustees Election Results. Dr. Richard Abernathy ran for unopposed for Position #5, Administrator Trustee. ATRS policy states that if only one qualified candidate files an application for election, that candidate is declared by the Board as elected to the position.

There were four candidates running for Position #11, Retired Member Trustee: Mr. John Shewmaker, Mr. Daniel N. Marzoni, II, Mr. Jim Binam, and Mr. Danny Knight, incumbent. VR Election Services has given official notice that Mr. Danny Knight was the winner of the 2012 Board of Trustees election for Position #11

A. Resolution 2012-20.

Ms. Coleman moved to adopt Resolution 2012-20, declaring Dr. Richard Abernathy and Mr. Danny Knight to be winners for Position #5 and Position #11, respectively. Ms. Morey seconded the motion, and the Board unanimously adopted the resolution.

- VII. **Annuity Option Factors.** Ms. Judy Kermans and Mr. Brian Murphy of Gabriel, Roeder, Smith & Company (GRS) gave a presentation on annuity option factors.

The current annuity options, aside from straight life, are Option A (100% joint and survivor), Option B (50% joint and survivor, and Options C (10 years certain). If a retiree selects one of these options, the benefit would be paid for a longer time than would otherwise be the case. The annuity paid to the retiree is reduced so that the value the member receives from ATRS is independent of the option selected. The factor producing the annuity option amount is called an "option factor". A unisex mortality table, the assumed interest rate, and post-retirement provisions (3% cost of living raises and "pop-up" features) all affect the option factor.

GRS completed an experience study in 2012 and recommended that ATRS adopt a new mortality table. Since the new mortality table causes the option factors to change, GRS suggested exploring the other components of the calculation.

In the past, ATRS has used current mortality assumptions for annuity conversions and a mortality table one experience study out of date for the option factors. This is a conservative measure and a reflection of the fact that current mortality tables include projections of future mortality improvement. Members who annuitize lump sums may be healthier than average, so current mortality tables would be appropriate due to the future mortality improvements. Members who elect options may be less healthy, so out-of-date mortality tables would be appropriate due to the lack of future mortality improvements.

The value of each member's annuity is calculated at the time of retirement based on the assumed rate of interest, 8%. However, amounts of money that are currently payable to retirees cannot be invested in the same manner as amounts payable for future retirees. So when ATRS annuitizes a lump sum, it is effectively guaranteeing an 8% return to the member for life. ATRS might not achieve an 8% return and the calculations do not take the cost of the guarantee in account. Systems and retirement plans outside of ATRS generally use an interest rate lower than 8%, so user lower interest rates may be taken into consideration for annuity calculations.

Previously, the cost of living adjustment (COLA) has not been included in option calculations. Since most plans today are converting to COLA raises, the alternates GRS present will reflect that trend. The alternates also include the "pop-up" provision.

Alternate 1	Alternate 2
<ul style="list-style-type: none">• "One study out of date" mortality table for options• "Current" mortality for lump sums• 8% interest for both	<ul style="list-style-type: none">• "Current" mortality table for both• 6% interest for both

Alternate 1 would reflect a continuation of current practice. A combination of Alternate 1 and Alternate 2 would be reasonable. Alternate 2 would give a better reflection of the risk ATRS takes on annuitizing T-DROP amounts.

The effect of changing the option factors would be that optional benefits will differ slightly for retirees and that benefits would be noticeably lower if Alternate 2 were employed.

The Board discussed the alternate options at length and made the decision to refer this item to the Operations Committee for further discussion at the August 6, 2012, Board meeting.

- VIII. **Adoption of Interest Rate for T-DROP Accounts for 2012-2013 (June 30, 2013).** Mr. Hopkins explained that this is an annual Resolution to set interest rates for the 2012-2013 fiscal year for active T-DROP accounts. The interest rate is based upon investment returns in the fiscal year. Because ATRS investments to date have not exceeded 8%, the rate will be set at the minimum of 2%

A. **Resolution 2012-21.**

Ms. Coleman moved to adopt Resolution No. 2012-21, determining the T-DROP account interest rate for the 2012-2013 fiscal year at 2%, based on market performance. Ms. Nichols seconded the motion, and the Board unanimously adopted the resolution.

- IX. **Adoption of Interest Rate for Post 10-Year T-DROP Accounts for 2012-2013 (June 30, 2013).** Mr. Hopkins explained that this is an annual Resolution to set interest rates for the 2012-2013 fiscal year for post 10-year T-DROP accounts. The interest rate is based upon investment returns in the fiscal year. Because ATRS investments to date have not exceeded 8%, the rate will be set at 4%.

A. **Resolution 2012-22.**

Ms. Nichols moved to adopt Resolution No. 2012-22, determining the post 10-Year T-DROP account interest rate for the 2012-2013 fiscal

year at 4%, based on market performance. Ms. Morey seconded the motion, and the Board unanimously adopted the resolution.

- X. **Report of Member Interest Amount Waived Under A.C.A. Sec. 24-7-205.** Mr. Hopkins presented the member interest amount waived report. ATRS waives interest on members when there is a dispute between ATRS and the member as to whether ATRS made a mistake or otherwise did not do all that was required on the member's account. ATRS waived one member's interest since April 2012. The member owed \$758.37, but ATRS failed to notify the member in a timely manner.
- XI. **Report of Employer Interest and Penalties Waived Under A.C.A. Sec. 24-7-411.** Mr. Hopkins presented the employer interest and penalties waived report. ATRS may waive employer interest and penalties when reports/payments are late or have issues due to new bookkeeper, sickness, etc. ATRS has recently been converting from a paper report to an electronic report. ATRS staff is pleased to report that ATRS is in the process of converting most ATRS employers from a paper check contribution payment to an electronic funds transfer (EFT) payment. Subsequently, ATRS waived \$13,570.05 in interest and penalties due to employers converted to the EFT process.
- XII. **Audit Committee Report.** Ms. Nichols gave a report on the Audit Committee meeting.
- A. **Internal Audit Report – Member Purchase of Service.** No recommendations or action necessary.
- B. **Internal Audit Report – Member Information on Member System.** Upon review, the ARTMIS system showed numerous errors. Internal Audit recommends that the membership department update member screens in a timely manner and establish procedures to ensure information is updated correctly.
- C. **2012-2013 Internal Audit Plan.** The 2012-2013 plan includes the following projects: development of the annual audit plan, development of internal risk assessment, establishment and maintenance of the internal audit manual, maintenance of the internal auditor recommendation follow-up process, and development and maintenance of Disaster Recovery Plan.
- XIII. **Investment Committee Report.** Ms. Leming gave a report on the Investment Committee meeting.
- A. **Arkansas Real Estate Update.**

1. **Arkansas Timberland Update – Acquisition of Garnet, 10,149 Acres.** ATRS acquired 10,149 acres of high quality Arkansas timberland, at a cost of approximately \$16.4 million, or \$1,616 per acre. The property is located in Grant, Jefferson, and Cleveland counties. The projected internal rate of return for the property is 10% over a ten year time frame and an average 7% annual cash flow, assuming timber prices stabilize at their 20 year average prices. This acquisition will be called Garnet, in representation of a real "gem" to the ATRS timber portfolio.
2. **Woodland Heights.** Woodland Heights is maintaining its status quo since the last Board meeting at 74% preleased and 71% occupied. Woodland Heights staff is working with renowned geriatrician Dr. David Lipschitz. Dr. Lipschitz has a large following which should be quite beneficial to Woodland Heights in recruiting new residents.
3. **Farmland Update.** ATRS staff closed on a 57 acre addition to the Wright Farm in Indiana, increasing that farm to 796 acres. Halderman Farm management has issued a letter of intent and is performing due diligence on a citrus grove in Florida. If closed, the citrus grove will be ATRS' first permanent crop farm.
4. **Victory Building Update.** The Victory Building continues to be a core property for ATRS and maintains a 97% occupancy rate.
5. **Other Arkansas Related Issues.** The ATRS loan portfolio with Lindsey Property Management and Peabody Hotel continues to go well with no issues on payment or underlying ability to pay.

The ATRS building at 720 West Third, the Osborne Research Center, continues to be monitored by ATRS staff and the property manager. The Osborne's are in a process of private reorganization and ATRS staff is closely monitoring the circumstance to determine the best course of action to take as the reorganization moves closer to completion.

The new renovation for the Insurance Department Criminal Investigation Division at 1500 West 3rd is nearing completion, and the Insurance Department appears to be pleased with the new offices.

ATRS staff is continuing to work on the Southcenter shopping center with Ross Dress for Less. ATRS has invested in landscape renovations to improve the overall appearance of the shopping center.

ATRS staff is working through minor lease issues with Ross as the grand opening nears.

B. General Investment Consultant Update – Hewitt EnnisKnupp.

1. **Portfolio Performance Update for the Quarter Ended March 31, 2012.** The total fund for the quarter ended March 31, 2012, outperformed the benchmark of 7.5% at 8.2%. U.S. equity performed at 12.5% for the quarter, slightly underperforming its benchmark of 12.9%. Global equity was at 13.5% for the quarter, outperforming its benchmark of 11.9%. Fixed income was at 2.8% for the quarter, outperforming its benchmark of 0.9%. The alternatives portfolio was at 2.3% for the quarter, outperforming its benchmark of 1.6%.

Hewitt EnnisKnupp (HEK) also a preliminary update for the month of April 30, 2012. The portfolio underperformed its benchmarks across the board and lost most of its 1st Quarter returns for 2012 due to the European debt crisis.

2. **Manager Updates.** In April 2012, UBS Global Asset Management announced that the head of global equities, Nick Melhuish, resigned from his position at the firm. Nick Irish was appointed as Mr. Melhuish's replacement. This change has a material impact on the dynamics and interaction of the UBS team. HEK has decided to revise its rating of the UBS global equity team from "hold" to "in review". HEK will perform due diligence on the team in the coming months and will report any concerns to the Investment Committee.

In April 2012, T. Rowe Price Global Equity announced the retirement of Rob Gensler, portfolio manager for global equity strategy. Mr. Gensler will relinquish his portfolio management responsibilities in September 2012, and will retire at the year's end. David Eiswert has been named as Mr. Gensler's replacement. HEK has decided not to modify T. Rowe Price's rating of "hold" due to the length of transition and the consistency of T. Rowe Price's management approach.

3. **Economic Outlook.** HEK believes that the most important decision for long-term investment results is asset allocation. Since the debt burdens are high in many countries, trying to work-off debt hampers growth. Inflation is persistent, even with substantial unemployment. Fiscal levers are maxed out and monetary policy is at extremes.
4. **Knight Vinke Recommendation.** When Knight Vinke was hired in 2008, HEK and the ATRS Board had conviction in the manager's investment approach. However, due to changes in the market

environment, HEK believes that Knight Vinke's investment approach is no longer effective and has changed their rating to "sell".

The Investment Committee recommended termination of Knight Vinke as an investment manager and to transfer the funds to an index fund until the Board decides how to reinvest

A. Resolution 2012-23.

Ms. Leming moved to adopt Resolution 2012-23, terminating Knight Vinke as an investment manager. Ms. Nichols seconded the motion, and the Board unanimously approved the motion by roll call vote.

C. Real Estate Consultant Update – Hewitt EnnisKnupp.

- 1. Real Estate Portfolio Performance Update for the Quarter Ended March 31, 2011.** Net IRR was at 6.1% for the quarter, 20 basis points higher than the third quarter. Net unfunded commitments decreased by approximately \$22 million during the quarter. Core fund performance continued its rebound at a slower pace during the quarter.

D. Private Equity Investment Consultant Update – Franklin Park.

- 1. Private Equity Portfolio Review for the Quarter Ended December 31, 2011.** The net IRR for the aggregate portfolio since inception was 8.6%, with a committed capital of approximately \$2.6 billion dollars. The percent change in portfolio value for the quarter was 0.2%.
- 2. Recommendation to Commit up to \$35 Million to Sycamore Partners, L.P.** Sycamore Partners, L.P. is targeting a capital commitment of \$900 million dollars, and has raised approximately \$815 million dollars to date. Sycamore will primarily target underperforming U.S. companies, mainly middle market retail and consumer businesses.

Franklin Park recommended this investment because the fund strategy is compelling, the principals have significant investment experience in the consumer/retail sector, and even though it is a newly formed firm, the principals have a strong track record. The Investment Committee recommended a commitment of up to \$35 million dollars.

a. Resolution 2012-24.

Ms. Leming moved to adopt Resolution 2012-24, approving a commitment of up to \$35 million dollars to Sycamore Partners, L.P. Ms. Morey seconded the motion, and the Board unanimously adopted the resolution.

XIV. **Operations Committee Report.** Mr. Lester gave a report on the Operations Committee meeting.

A. **Approval of Rules after Public Comment Period.** Both policies were open for a 30 day public comment period with no comments or changes made.

1. **Policy 1-18 Audit Committee Charter.** The current wording of Policy 1-18 provides that the Committee Chair or Executive Director may call the meetings and set the agendas for the Audit Committee. As internal audit processes have developed at ATRS, it has been determined that it is best for the Internal Auditor and the Audit Committee Chair to work together to establish agendas and activities of this independent committee's processes. ATRS executive staff recommended removing references to the Executive Director as making decisions and replacing those references with the ATRS Internal Auditor for these functions. In addition, the ATRS internal auditor reworked the rules for the Audit Committee to more clearly state the process and function of the ATRS Audit Committee.

Mr. Lester moved to approve Policy 1-18 Audit Committee Charter as is after public comment period. Mr. Black seconded the motion, and the Board unanimously approved the motion.

2. **Policy 6-1 Membership.** The current rule denies any new employees of certain specialized employers from establishing membership with ATRS unless the new member had prior service in ATRS with another employer. The law has changed since this policy was created in 2006. The proposed rule allows new employees of these employers to become ATRS members if ATRS staff determines that the employer is an eligible employer.

Mr. Lester moved to approve Policy 6-1 Membership as is after public comment period. Mr. Knight seconded the motion, and the Board unanimously approved the motion.

B. **Potential Rule Change.**

1. **Policy 11-1 Survivor Benefits.** A review of Policy 11-1 Survivor Benefits revealed a policy error where the term "dependent child" does

not reflect the legal definition. This provides opportunities for anti-selection and should be brought before the Board as a loophole that should be closed.

In the ATRS law definitions, "child of a member" means either a natural child of the member or a child who has been made a child of the member by applicable court action before the death of the member. However, ATRS policy allows for less defined requirements. ATRS staff recommends that the policy should more closely follow the definition in the law.

Mr. Lester *moved to approve the Committee's recommendation to instruct ATRS staff to amend Policy 11-1 Survivor Benefits to reflect ATRS law. Ms. Coleman seconded the motion, and the Board unanimously approved the motion.*

C. Potential 2013 Legislation.

1. **Require Litigation to be Filed in Pulaski County.** ATRS has handled more litigation since solidifying member appeal procedures. Members are allowed to appeal the Executive Director's decision to the Board. However, any member receiving an adverse ruling from the Board retains certain rights under the Arkansas Administrative Procedures Act to file for a judicial review. One case has been held in Faulkner county, forcing ATRS staff to travel outside of Pulaski county. This presents a difficulty for ATRS staff, as well as added expenses for the agency and loss of employee productivity.

The Operations Committee recommended the law be changed so that litigation can only be filed in Pulaski county.

Mr. Knight *moved to approve the Committee's recommendation to instruct ATRS staff to draft legislation amending the law to require litigation against ATRS to be filed in Pulaski county. Ms. Coleman seconded the motion, and the Board unanimously approved the motion.*

2. **Permanently Delete Service Credit on Which Employee Contributions are Owed after a Certain Time Period has Passed.** ATRS finds that many members owe contributions on service credit from many years ago which has accrued significant amounts of interest. These members are usually found at the time of retirement. ATRS current policy is to hold up retirement payments until the balance is paid in full. This creates a hardship on many of our retirees who do not have money readily available to pay off these accounts.

ATRS staff is proposing to write into law that, with the concurrence of the member, ATRS will delete the year or years in question, which mean the members will not be able to claim any service credit for those year or years deleted. If the member has paid partial contributions on the year or years in question, ATRS will refund the contributions to the member without interest. This law seems harsh to the members because they will lose service credit; however, for many the service credit is not needed to be eligible for retirement, and it will allow them to go ahead and retire without ATRS holding their retirement checks. ATRS staff is asking the Board to consider this law change.

Mr. Lester *moved to approve the Committee's recommendation to instruct ATRS staff to draft legislation amending the law to permanently delete service credit on which employee contributions are owed after a certain time period has passed. Ms. Coleman seconded the motion, and the Board unanimously approved the motion.*

D. Legislation Previously Approved by the Board for 2013.

1. **Purchase of Service Credit during Reinstatement.** Significant policy issues are involved in the termination of a school employee and subsequent reinstatement, and how service credit and other factors should be resolved.
2. **Allow New Employees of Colleges to Enroll in ATRS.** Certain colleges that have decided to continue participation in ATRS wants the option to allow any new hire to participate in ATRS rather than limiting ATRS participation to only those with five (5) or more years of service in ATRS.
3. **Employer Reporting Disclosure for all Salaries Paid (Pennartz).** ATRS employers would have a duty to disclose all salary payments and salary changes that occur.
4. **1% T-DROP Reduction for Noncontributory Members.** Requiring a 1% deduction for all service would be a cost savings and would be easier to compute.
5. **Disability Benefit Paid Only Back to Date Application is Filed.** In order to encourage members to file a disability application in a timelier manner, and to prevent members from constantly missing the filing deadline, changing the date of payment to be no earlier than the application filing date will benefit both the member and ATRS.

6. **Require Five Years of Actual ATRS Service for Both Disability and Survivor Benefits.** Members should have a greater connection to ATRS before disability or survivor benefits are paid.
7. **Inactive Members with Only Noncontributory Service Lose One Noncontributory Year for Each Year the Member is Inactive.** An inactive member with only noncontributory service would lose a year of noncontributory service for each year that passes after a certain amount of time, as long as the member remains inactive.
8. **Definition of Pensionable Salary.** ATRS have a very liberal definition of salary that has not been updated for some time.
9. **Final Average Salary to be Used when Reciprocal Service has been Established.** The current method of calculation allows for anti-selection and is costly to ATRS.
10. **Ability to Retain Investment Consultants and Money Managers, Custodian Banks, Law Firms and Actuaries without Periodic Reviews until Board of Trustees Terminates Their Contract.** Arkansas procurement law anticipates that vendors should have contracts that expire from time-to-time in order to seek more competitive proposals and to ensure competition for services, which does not work well for investment consultants, money managers, custodian banks, actuaries, and similar contracts.
11. **Definition of Manifest Injustice.** A broader definition of manifest injustice is needed, such as one that will cover lump sum death benefits paid in error to beneficiaries of Act 808 retirees.
12. **Standardize Interest Rates on all Funds Due to ATRS.** Employer contributions that are not paid timely should accrue interest at 8% per annum instead of the current 6%, to treat the funds as if they had been in the ATRS portfolio and receiving the assumed rate of return.
13. **Add Penalty for Failure to Remit Current Year Contributions after One (1) Month's Notice of Failure to Pay by ATRS (\$500) approved.** Once an employer report becomes significantly late, a penalty, in addition to the late penalty that exists today, will be added.
14. **Satisfy Employer Debt Obligation by Deducting from General Operation Funds Distributed by Department of Education.** By working with the Department of Education, a specific process will be created in the law for funds due from public schools and charter schools to be collected in the event that the money is not paid directly.

15. **Allow Retirees Who do not Retire on the First Day of a Calendar Quarter to use Current Year Salary in Final Average Salary if Current Year is a High Salary Year.** A member who is retiring on the beginning of a month other than the four quarters should receive salary credit for the existing year if the salary could otherwise be used in the calculation of final average salary.
16. **Disallow Disability Retirement if Member is Age 60 or has 28 Years of Service.** This eliminates members who are approved for disability retirement from retiring at any time during the year and receiving full service credit.
17. **Make Survivor Benefits Become Effective the Date the Survivor Benefit Application is Filed.** Making survivor benefits become effective as soon as possible after the application is filed prevents large back payments.
18. **Adjust Anti-Spiking for Contract Buyouts.** The contract buyout amount should not trump actual salary paid in a member's final year before retirement.
19. **Extend Emergency Rule Making for Pension Systems to Last 180 Days.** There could be a lapse in coverage of the rules between the 120 days the emergency rules are in effect and the length of time it takes for the regular rule making process.

XV. **Staff Reports.**

- A. **Medical Committee Reports.** Mr. Ray presented the Medical Committee reports for April 2012 and May 2012. In April 2012, there were 27 applicants, 24 were approved and three were denied. In May 2012, there were 15 applicants, 13 were approved and two were denied.

Ms. Nichols *moved to approve the April 2012 and May 2012 Medical Committee reports. Mr. Lester seconded the motion, and the Board unanimously approved the motion.*

XVI. **Other Business.**

- A. **Notice of Board Vacancy.** Mr. Hopkins notified the Board of an upcoming Board vacancy. Ms. Leming turned in her resignation from the Congressional District #4 Member Trustee position on May 29, 2012. The Board must decide whether to leave the position vacant until the next scheduled election, to run an emergency election, or to appoint a

candidate to the position until the term expires. Mr. Hopkins added that the 2011 General Assembly conducted a re-districting and that ATRS policy provides that the member's residence does not count towards eligibility; it is the location of the member's employer's administrative office.

Ms. Morey moved to appoint a candidate to Position #4, Member Trustee, and to accept applications from all eligible members whose employer's administrative office is located in the 4th Congressional District. Mr. Black seconded the motion, and the Board unanimously approved the motion.

Ms. Morey moved to approve that applications for the Position #4, Member Trustee, be received by July 13, 2012, and that the Board will appoint a replacement trustee at the next scheduled Board meeting, August 6, 2012. Ms. Nichols seconded the motion, and the Board unanimously approved the motion.

XVII. Adjourn.

Mr. Lester moved to adjourn the Board of Trustees Meeting. Dr. Abernathy seconded the motion, and the Board unanimously approved the motion.

Meeting adjourned at 2:21 p.m.

George Hopkins,
Executive Director

Dr. Richard Abernathy, Chair
Board of Trustees

Amy Glavin,
Recorder

Date Approved