

MINUTES OF MEETING
STATE BOARD OF FINANCE

July 30, 2009

The State Board of Finance of the State of Arkansas met in the Conference Room, Office of the Treasurer of State, Suite 275, Victory Building, Little Rock, Arkansas, at 10:00 a.m., Thursday, July 30, 2009, pursuant to notice duly given to each member of the Board by the Chairman.

The following members were present:

Richard Weiss, Director, Department of Finance and Administration
Martha Shoffner, Treasurer of State
Candice Franks, Arkansas State Bank Commissioner
Jim Wood, Auditor of State
James Miller, representing Governor Mike Beebe

Others present were Lisa White of the Auditor's staff; and Karla Shepard, Autumn Sanson, Patti Vick, and Celeste Gladden of the Treasurer's staff.

Richard Weiss served as acting Chairman in the absence of Governor Beebe and called the meeting to order with recognition of a quorum.

Minutes of the meeting held on June 10, 2009, were approved as distributed.

The Chairman called upon Commissioner Franks for a summary of her findings in regard to current interest rates being paid by banks and lending institutions and for the Commissioner's recommendations concerning the reinvestment of the \$110,000,000.00 maturing on August 26, 2009. It was Ms. Franks' recommendation that the certificates of deposit be offered for investment to Arkansas banks and savings and loan associations at the rate of .74% for a 182-day term. Chairman Weiss asked Secretary Shoffner what the Treasury's experience had been in

placing money at the current rate of .94%, which had been set at the State Board of Finance meeting of June 10, 2009. Secretary Shoffner and Autumn Sanson both responded that there were no difficulties, that the banks were accepting the .94% rate. Ms. Sanson stated that the Treasury has not been receiving any negative feedback from the banks regarding the current rate of .94%. Secretary Shoffner recommended that the Board consider keeping June's rate of .94%. Chairman Weiss also recommended that the rate remain at .94%. The Chairman recognized State Auditor Wood, who moved that the Board keep the current rate of .94% and Secretary Shoffner seconded the motion. The motion to offer the certificates of deposit for investment to Arkansas banks and savings and loan associations at the rate of .94% for a 182-day term was passed unanimously by the Board.

The Chairman recognized Karla Shepard who stated that Patti Vick is leaving her position at the State Treasury and will be replaced by Celeste Gladden.

There being no further business, the Chairman declared the meeting adjourned.

ATTEST:

Secretary of the State Board
of Finance of the State
of Arkansas

Acting Chairman of the State
Board of Finance of the State
of Arkansas

Secretary's Note: All documents pertaining to the issues considered are filed in the permanent records of the State Board of Finance.