

MINUTES OF MEETING  
STATE BOARD OF FINANCE

May 27, 2010

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, May 27, 2010, 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  
Candace Franks, Arkansas State Bank Commissioner  
Jim Wood, Auditor of State

Others present were Michael Wickline, reporter for the Arkansas Democrat Gazette; and Karla Shepard, Autumn Sanson, 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 January 28, 2010 were approved as distributed.

The first item on the agenda was the consideration of \$110,000,000.00 State Board of Finance Certificates of Deposit, maturing June 28, 2010, and the reinvestment of \$75,000,000. The Chairman called upon Secretary Martha Shoffner to discuss the decision to lower the investment amount. Ms. Shoffner stated that a new plan is being considered, not because there were any problems with the current rate of .94%, but because the banks were having trouble loaning the money out due to decreased loan demand. Autumn Sanson added that the CD Trust program operated by the Treasurer's Office is the top priority of the two CD programs. Ms.

Sanson stated that in order to insure that there are no problems placing the trust funds, the State Board of Finance Certificates of Deposit should be scaled back.

Mr. Weiss called upon Commissioner Franks to discuss the rate. Ms. Franks stated that the current rate has not changed and does not appear to be changing anytime soon. Ms. Franks agreed that there has not been any problem with the rate at .94%. Secretary Shoffner moved to keep the current rate of .94% and reduce the investment amount to \$75,000,000. The motion was passed unanimously by the Board.

Chairman Weiss notified the Board that the Student Loan Association will pay off their loan, due by September, in July or August.

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

ATTEST:

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

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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.