

The Municipal Forum of New York, Inc.

*Board of Governors Meeting
November 17, 2006, 12:30 P.M., Via Conference Call*

Minutes of the Meeting

A regular meeting of The Municipal Forum of New York, Inc. (the "Forum") was held on November 17, 2006 via conference call hosted by Standard and Poor's. Members of the Board of Governors (the "Board") participating included: C. Woodell, F. Walton, A. Anders, C. Kostik, S. Toledo, N. Flynn, K. Daly, J. Branca and S. DeGroat. R. Stack, K. Bond, P. Lamas and D. Tomson were absent. The meeting was opened by the president at 12:35 P.M.

The minutes of the board meeting (October 13, 2006) were approved as presented upon motion. Upon the absence of the secretary, Ms. Woodell appointed S. Toledo as secretary for the meeting.

Ms. Kostik reported that Mark Muller, a former MFNY president, hosted a lunch with Futures and Options ("F&O") in December, 2006, with Board members to discuss expanding the network with summer interns, including more intern placements with public sector MFNY members, and recruiting interns from the NYCBE School of Finance.

Mr. Flynn gave the report of the membership committee. He said he mailed 130 letters to tri-state state and local issuers and has received some feedback, including applications from personnel at NJEFA and NYSAC. He reiterated that building membership is a multi-year task.

Ms. Daly gave the report of the annual dinner committee (May 10, 2007). She indicated that the committee is considering ways to shorten the dinner (out by 9:00PM) and control the length of award recipient speeches and introductions (Mr. Anders suggested 10 minutes per speech). Ms. Woodell offered having the annual dinner host (e.g., a Board member) do all award introductions to save time. Ms. Kostik suggested opening the floor to interns for questions for the speakers. She also suggested a "host" for the dinner and getting NYT (Style section) and other media coverage. There was a discussion on the propriety of having two awards (private sector and public sector) and when the lifetime achievement award is appropriate. Ms. Daley indicated she would be soon meeting with the Marriott Marquis staff re menu and possible change of venue.

Ms. Woodell provided the results of voting on candidates for various awards by the Awards committee (John Hallacy, Clair Cohen, Allan Anders and Carol Kostik).

Mr. DeGroat commented that while the Marriott Marquis sets the times available its staff has been very accommodating over the years with schedule changes (i.e., overlap with the BMA/SIFMA [sic] dinner). Ms Daly will send "save the date" reminders to members and others and procure the annual dinner files from the 2006 chairs (Paul Lamas and Peg Henry). Mr. Anders gave the Awards Committee report. They noted that the bylaws contained nothing in so far as awards were concerned. Claire Cohen, Mr. Anders and Ms. Woodell recommended a framework for selecting award recipients which include all or the following characteristics: longevity in the industry, industry wide activities, innovation, participation in significant transactions and institution building. It was also agreed that private sector awards would be de-linked from the firm of the recipient. Ms. Kostik commented that the criteria were helpful in thinking about potential nominees.

Further, a recommendation was made that the Award Committee be composed of the president, the chair of the MFYEF committee and three members at large, including at least one prior award recipient. After some discussion, it was agreed that at least one member at large would represent the public sector. However, to the extent the membership list did not contain public sector members, the Board agreed to an award committee of the president, the chair of the youth ed committee two members at large, including at least one prior award recipient, and one board public sector member. Claire Cohen was nominated as the prior award recipient representative on the awards committee. The Board agreed to circulate a membership list to nominate candidates for the at large position.

Mr. Anders commented on the City's policy regarding gift limitations and conflicts of interest. He mentioned that the best incentive for public sector participation would be discounts for the Annual Dinner and lunches. It was noted that bifurcated fee structures are commonplace in the industry. Ms. Kostik asked whether the lunches were profitable or breakeven for the forum and whether we knew how many public sector members belong to the Forum currently. She also noted that membership fees are minimal. Mr. Anders proposed initiating a membership campaign for the recruitment of public sector officials.

It was agreed to reduce costs for public sector members as follows: membership fee to \$30 from \$60 and lunches to \$25 from \$60 or \$75 – motion by Ms. Daly, seconded by Mr. Anders. A decision as to bifurcate pricing for the awards dinner was placed on hold pending the public outreach effort.

Mr. Flynn discussed the draft letter proposed to expand public sector membership in the Forum. The letter touched upon three incentives – removing costs as a barrier, expanding luncheon event topics and formation of a subcommittee advisory group to the Board for the purpose of providing more input. Mr. Flynn agreed to send the letter to his mailing list, including public officials in New York, New Jersey, and Connecticut. Mr. Anders suggested broadening the awards dinner to individuals outside New York.

Ms. Kostik gave the Intern committee report. She noted that the program had received very positive feedback this year. She recommended continuing the program as is in terms of the target audience since we're reaching individuals that would otherwise not have been exposed to finance. Futures and Options was described as responsive. Ms. Woodell noted that the Forum, through the Internship program is filling a niche. While the internship program peaked at 65 interns in years past, it is now placing 25 each summer. Mr. Anders asked whether it made sense to approach the Board of Education, given the innovative work it has been doing in many areas. Ms. Kostik was going to raise the idea with Futures and Options, particularly as it relates to the Academy of Finance as a vehicle for exposing more kids to financial services. Ms. Kostik mentioned that Lynette Hotchkiss of the BMA had volunteered to put together an additional day of training for the interns on the bond market and that she would be looking for Board members to get involved. Mr. Anders noted that this training could be a motivator for public sector officials to get involved in the Forum as part of the training session. Ms. Daly also volunteered for the new training program.

Ms. Kostik noted that Futures and Options was raising fees slightly but that overall their overhead was pretty low. She will circulate the proposal to the Board for approval at the next meeting. Ms. Woodell noted that the Forum had not raised scholarships and book awards in some time. She proposed holding off on approving the budget until the Futures and Options proposal and

the possibility of raising scholarship awards were reviewed. The board agreed to continue with Futures and Options.

The board also voted to allow Ms. Walton to invest cash the Forum has uninvested – motion by Ms. Woodell, seconded by Ms. Kostik.

Ms. Woodell reported she is working to get the web site updated at a cost of \$35 per hour. She will be making suggestions to the web designer and circulated them to the group. Ms. Daly asked whether it would be possible to enable comments to be posted on the web site. The board agreed that revamping the web site should be a priority.

The next board meeting was set for November 17th at 12:30 pm. The annual dinner will be the key topic for the meeting. It was reported that no date had been set for the November lunch but that the panelists would likely be investors.

There being no further business placed on the table, the meeting was adjourned by acclamation at 1:35 P.M.

Respectfully submitted,

Kenneth W. Bond
Secretary*

Thanks to Sonia Toledo for taking minutes in the secretary's absence.