

MINUTES OF BOARD OF DIRECTORS MEETING

March 12, 2014

By Phone

11:00 AM CST

President Pam Lenane, called the meeting to order on Thursday, March 12, 2014 at 11:05 AM Central Time.

Board Members present: Pam Lenane, Don Templeton, Elaine Yungerberg, Maribeth Wright, Paula Drummond, Harry Huntley, and Dennis Reilly.

Board Members absent: Corrine Johnson, Paul Williams, Jr.

Also in attendance: Nichole Doxey, Mike Stanard

The following items were discussed:

1. Approval of Minutes of the meeting of February 27, 2014

President Pam Lenane called the meeting to order and (later in the meeting) asked for a motion to approve the minutes of the meeting of February 27, 2014. Don Templeton moved to approve the minutes and the motion was unanimously approved.

2. Discussion Item – PFA as a Conference Attendee

The President reported that it was brought to her attention by Nicole that funding managers from the Public Finance Authority (PFA) have registered for the Conference in New Orleans. Since PFA is not a member and is not an industry representative, there was some concern that the registration fee from PFM should be refunded and their access to the conference denied.

Discussion ensued on the four types of conference registrations—Members, Guests, Sponsors or Industry Representatives. The PFM registrations were made under the Industry Representative category at the highest fee, which is \$550 per registrant. Paula commented that the website of NAHEFFA is an open website and conference information and registration is available for anyone who wants to pay the conference fee. Paula went on to say that it is one of the missions of NAHEFFA to offer education to its members and questioned the appropriateness of the Board turning away someone who will pay the fee and is apparently interested in the education that is offered at the Conference.

Mike Stanard (Membership Committee Chair) was asked how he perceives the situation. Mike replied that it seems somewhat inconsistent to not allow PFA to attend the conference, as the Bylaws now allow for more than one authority from a state to be NAHEFFA member. Therefore, in the future, there could be members attending the conferences that are from the same state and

are direct competitors. Mike thought that it would not be harmful to meet the representatives from PFM and gain insight into how they approach their business.

There are caveats in the Bylaws that give the current member of a state the power to object to offering a membership to an authority that would have a substantial overlap of issuing authority.

Pam offered that PFA has been legislatively banned from issuing bonds in Illinois. Harry said that he was aware that PFA has issued at least six issues in North Carolina where it had previously been difficult to get a deal done, but he felt no pressure from the influence of PFM in South Carolina. He thought that getting to know them may be the right thing to do.

It was the general consensus of the group that it is difficult to turn away a paying conference participant, and that the current website registration and conference information does not allow for discriminating against certain registrants. This issue will be brought up at the member-only, Corporation Meeting in New Orleans, and the views of the entire membership will be considered.

3. Discussion Item – 2015 Budget

The President addressed the question that Dennis Reilly expressed relating to the fact that pages 8 and 9 of the budget presentation sent with today's meeting agenda was not attached to the budget information that was disseminated to the members with the Corporate Meeting notice. Pam said that she would like to see only scenarios one and two for the budget options and omitting the third scenario where the Advocacy Fund was reduced. Pam reported that she had talked with Bob Donovan and relayed to him the necessity of cutting budget expenses for NAHEFFA. Discussion continued on the budget scenarios and there was agreement that an increase in dues would not be readily accepted by the members. Therefore, the RFP for lobbying services was again brought up. It was agreed that Chuck has done a very good job for NAHEFFA, but budget constraints dictate that the Advocacy budget be reduced. It was also agreed that the RFP is somewhat of a "reality check" that needs to be happen to see what we should be paying for lobbying services.

It was recommended that a cover memo be drafted and attached to the budget presentation that would simply bullet point the issues that need to be resolved. Maribeth said she could draft something up and distribute it to the Board. Further discussion ensued on what scenarios to present to the members.

Elaine Yungerberg made a motion to present all scenarios to the members and include a recommendation that the first budget scenario be adopted and an RFP be completed for lobbyist services to attempt to reduce the expenses rather than increase revenue by raising membership dues. (This would result in a budget that is similar to scenario three.) Maribeth seconded the motion and the motion was unanimously approved.

Paula Drummond followed up on her suggestion from the previous meeting of increasing investment income. Paula will bring, to the next meeting, examples of A rated investments that offer a higher return than what is currently being earned. Pam said that it would be good to do an RFP for investment options if the Board intended to branch out from traditional CD's. Paula

noted that there are two CD's that mature this year and it would be a good time to look into the prospect of higher returns on the investments.

4. Adjournment

There being no other business, the meeting was adjourned by unanimous vote at 11:50 AM, *CST*.

Secretary
Elaine Yungerberg