

DREYFUS STRATEGIC MUNICIPALS INC

Form DEFA14A

April 18, 2007

**DREYFUS STRATEGIC MUNICIPAL BOND FUND, INC.  
DREYFUS STRATEGIC MUNICIPALS, INC.**

***Notice of Annual Meeting of Stockholders***

To the Stockholders:

The Annual Meeting of Stockholders of each of Dreyfus Strategic Municipal Bond Fund, Inc. and Dreyfus Strategic Municipals, Inc. (each, a "Fund" and, collectively, the "Funds") will be held at the offices of The Dreyfus Corporation, 200 Park Avenue, 7th Floor, New York, New York 10166, on Friday, June 1, 2007 at 10:00 a.m., for the following purposes:

1. To elect Directors to serve for a three-year term and until their successors are duly elected and qualified.
2. To transact such other business as may properly come before the meeting, or any adjournment or adjournments thereof.

Stockholders of record at the close of business on April 5, 2007 will be entitled to receive notice of and to vote at the meeting.

By Order of the Board

New York, New York April 11, 2007

**WE NEED YOUR PROXY VOTE**

**A STOCKHOLDER MAY THINK HIS OR HER VOTE IS NOT IMPORTANT, BUT IT IS VITAL. BY LAW, THE ANNUAL MEETING OF STOCKHOLDERS OF A FUND WILL HAVE TO BE ADJOURNED WITHOUT CONDUCTING ANY BUSINESS IF LESS THAN A QUORUM IS REPRESENTED. IN THAT EVENT, THE AFFECTED FUND WOULD CONTINUE TO SOLICIT VOTES IN AN ATTEMPT TO ACHIEVE A QUORUM. CLEARLY, YOUR VOTE COULD BE CRITICAL TO ENABLE THE FUND TO HOLD THE MEETING AS SCHEDULED, SO PLEASE RETURN YOUR PROXY CARD OR OTHERWISE VOTE PROMPTLY. YOU AND ALL OTHER STOCKHOLDERS WILL BENEFIT FROM YOUR COOPERATION.**

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**DREYFUS STRATEGIC MUNICIPAL BOND FUND, INC.  
DREYFUS STRATEGIC MUNICIPALS, INC.**

**COMBINED PROXY STATEMENT**

***Annual Meeting of Stockholders***

**to be held on Friday, June 1, 2007**

This proxy statement is furnished in connection with a solicitation of proxies by the Board of Directors of each of Dreyfus Strategic Municipal Bond Fund, Inc. ("DSMB") and Dreyfus Strategic Municipals, Inc. ("DSM") (each, a

□Fund□ and, collectively, the □Funds□) to be used at the Annual Meeting of Stockholders of each Fund to be held on Friday, June 1, 2007 at 10:00 a.m., at the offices of The Dreyfus Corporation (□Dreyfus□), 200 Park Avenue, 7th Floor, New York, New York 10166, for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. Stockholders of record at the close of business on April 5, 2007 are entitled to be present and to vote at the meeting. Stockholders are entitled to one vote for each Fund share held and fractional votes for each fractional Fund share held. Stockholders can vote only on matters affecting the Fund(s) in which they hold shares. If a proposal is approved by stockholders of one Fund and not approved by stockholders of the other Fund, the proposal will be implemented only for the Fund that approved the proposal. Therefore, it is essential that stockholders who own shares in both Funds complete, date, sign and return each proxy card they receive. Shares represented by executed and unrevoked proxies will be voted in accordance with the specifications made thereon. If any enclosed form of proxy is executed and returned, it nevertheless may be revoked by a proxy given later. To be effective, such revocation must be received prior to the meeting. In addition, any stockholder who attends the meeting in person may vote by ballot at the meeting, thereby canceling any proxy previously given. As of April 5, 2007, the Funds had outstanding the following number of shares:

<u>Name of Fund</u>	<u>Common Stock Outstanding</u>	<u>Auction Preferred Stock Outstanding</u>
DSMB	48,435,728	7,440
DSM	60,630,959	11,400

It is estimated that proxy materials will be mailed to stockholders of record on or about April 18, 2007. The principal executive offices of each Fund are located at 200 Park Avenue, New York, New York 10166. **Copies of each Fund□s most recent Annual and Semi-Annual Reports are available upon request, without charge, by writing to the Fund at 144 Glenn Curtiss Boulevard, Uniondale, New York 11556-0144, or by calling toll-free 1-800-334-6899.**

A quorum is constituted by the presence in person or by proxy of the holders of a majority of the outstanding shares of the Fund entitled to vote at the meeting. If a proposal is to be voted upon by only one class of a Fund□s shares, a quorum of that class of shares (the holders of a majority of the outstanding shares of the class) must be present in person or by proxy at the meeting in order for the proposal to be considered. Each Fund has two classes of capital stock: Common Stock, par value \$0.001 per share (the □Common Stock□), and Auction Preferred Stock, par value \$0.001 per share, liquidation preference \$25,000 per share (the □APS□). The APS is further divided into Series A, Series B and Series C for DSMB and Series M, Series T, Series W, Series TH and Series F for DSM. Currently, no proposal is expected to be presented at the meeting that would require separate voting for each Series of APS.

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### PROPOSAL 1: ELECTION OF DIRECTORS

Each Fund□s Board of Directors is divided into three classes with the term of office of one class expiring each year. It is proposed that stockholders of each Fund consider the election of the individuals listed below (the □Nominees□) as Directors of the indicated class of such Fund, to serve for three-year terms and until their respective successors are duly elected and qualified. With respect to DSM, Messrs. Carter, DiMartino, and Leone and Ms. Evans are nominated to be elected as Class I Directors to serve for a three-year term. With respect to DSMB, Messrs. Davis and Houminer and Ms. Melvin are nominated to be elected as Class II Directors to serve for a three-year term. Messrs. DiMartino, Carter, and Leone and Ms. Evans also are continuing Class I Directors of DSMB and Messrs. Davis and Houminer and Ms. Melvin also are continuing Class II Directors of DSM. Each Nominee also currently serves as a Director of the Fund for which their election is proposed. Each Nominee was nominated by the respective Fund□s nominating committee and has consented to being named in this proxy statement and has agreed to continue to serve as a Director of the indicated Fund if elected. Biographical information about each Nominee is set forth below. Biographical information about each Fund□s Continuing Directors, information on each Nominee□s and Continuing Director□s ownership of Fund shares and other relevant information is set forth on Exhibit A. Unless otherwise indicated, information set forth herein applies to both Funds.

Under the terms of each Fund's Charter, holders of the APS voting as a single class are entitled, to the exclusion of holders of the Common Stock, to elect two Directors. Mr. Zuccotti was elected in 2006 as a Class III Director for APS holders of DSM to serve for a three year term. DSMB's APS holders elected Mr. Zuccotti in 2005 as a Class III Director whose term expires in 2008. Robin A. Melvin is the other Director designated for holders of APS. Ms. Melvin was elected by APS holders of DSM in 2005 as a Class II Director whose term expires in 2008 and is currently a nominee for election as a Class II director for APS holders of DSMB.

Voting with regard to the election of Directors will be as follows: for DSM, holders of Common Stock and APS will vote together as a single class with respect to the election of Messrs. Carter, DiMartino and Leone and Ms. Evans as Class I Directors; and for DSMB, holders of Common Stock and APS will vote together as a single class with respect to the election of Messrs. Davis and Houminer as Class II Directors, but APS holders will vote separately, to the exclusion of holders of the Common Stock, with respect to the election of Ms. Melvin as a Class II Director who is nominated to represent the APS of DSMB.

The persons named as proxies on the accompanying proxy card(s) intend to vote each such proxy for the election of the Nominees, unless stockholders specifically indicate on their proxies the desire to withhold authority to vote for elections to office. It is not contemplated that any Nominee will be unable to serve as a Director for any reason, but if that should occur prior to the meeting, the proxyholders reserve the right to substitute another person or persons of their choice as nominee or nominees.

None of the Nominees or Continuing Directors are "interested persons" of either Fund, as defined in the Investment Company Act of 1940, as amended (the "1940 Act"). As independent directors of investment companies, they play a critical role in overseeing fund operations and policing potential conflicts of interest between the fund and its investment adviser and other service providers. The following tables present information about the Nominees including their principal occupations and other board memberships and affiliations. The address of each Nominee is 200 Park Avenue, New York, New York 10166.

***DSM's Nominees for Class I Director with Term Expiring in 2010***

<b>Name (Age) of Nominee</b>	<b>Principal Occupation</b>	<b>Other Board Memberships</b>
<b><u>Position with Fund (Since)</u></b>	<b><u>During Past 5 Years</u></b>	<b><u>and Affiliations</u></b>
<b>JOSEPH S. DiMARTINO (63)</b> <b>Chairman of the Board and</b> <b>Class I Director of DSM (1995)</b>	Corporate Director and Trustee	The Muscular Dystrophy Association, <i>Director</i> Century Business Services, Inc., a provider of out-sourcing functions for small and medium size companies, <i>Director</i> The Newark Group, a provider of a national market of paper recovery facilities, paperboard mills and paperboard converting plants, <i>Director</i> Sunair Services Corporation, a provider of certain outdoor-related services to homes and businesses, <i>Director</i>

<p><b>JONI EVANS</b> (64)  <b>Class I Director of DSM</b> (2006)                  Morris Agency (2005)</p>	<p>Principal, Joni Evans Ltd.                  Senior Vice President of the William</p>	<p>None</p>
<p><b>WILLIAM HODDING CARTER, III</b> (71)  <b>Class I Director of DSM</b> (1989)</p>	<p>Professor of Leadership &amp; Public Policy,                  University of North Carolina, Chapel                  Hill (January 1, 2006 - present)                  President and Chief Executive Officer                  of John S. and James L. Knight                  Foundation (1998 - February 1, 2006)</p>	<p>The Century Foundation,  <i>Emeritus Director</i>                  The Enterprise Corporation                  of the Delta, <i>Director</i></p>
<p><b>RICHARD C. LEONE</b> (66)  <b>Class I Director of DSM</b> (1989)</p>	<p>President of The Century Foundation                  (formerly, The Twentieth Century                  Fund, Inc.), a tax exempt research                  foundation engaged in the study of                  economic, foreign policy and domes-                  tic issues</p>	<p>The American Prospect,  <i>Director</i>                  Center for American                  Progress, <i>Director</i></p>

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***DSMB □ Nominees for Class II Director with Term Expiring in 2010***

<b><u>Name (Age) of Nominee</u></b> <b><u>Position with Fund (Since)</u></b>	<b><u>Principal Occupation</u></b> <b><u>During Past 5 Years</u></b>	<b><u>Other Board Memberships</u></b> <b><u>and Affiliations</u></b>
<p><b>GORDON J. DAVIS</b> (65)  <b>Class II Director of DSMB</b> (2006)</p>	<p>Partner in the law firm of LeBeouf,                  Lamb, Greene &amp; MacRae, LLP                  President, Lincoln Center for the                  Performing Arts, Inc. (2001)</p>	<p>Consolidated Edison, Inc.,                  a utility company, <i>Director</i>                  Phoenix Companies, Inc., a                  life insurance company,  <i>Director</i>                  Board Member/Trustee for                  several not-for-profit                  groups</p>
<p><b>EHUD HOUMINER</b> (66)  <b>Class II Director of DSMB</b> (1994)</p>	<p>Executive-in-Residence at the                  Columbia Business School,                  Columbia University</p>	<p>Avent Inc., an electronics                  distributor, <i>Director</i>                  International Advisory                  Board to the MBA                  Program, School of                  Management, Ben                  Gurion University,  <i>Chairman</i>                  Explore Charter School,                  Brooklyn, NY, <i>Trustee</i></p>

<p><b>ROBIN A. MELVIN</b> (43)  <b>Class II Director of DSMB</b> (1995)  <b>APS Designee for DSMB</b> (1999)</p>	<p>Director, Biosi Family Foundation, a private family foundation that supports youth-serving organizations that promote the self sufficiency of youth from disadvantaged circumstances</p>	<p>None</p>
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Each Fund has standing audit, nominating and compensation committees, each comprised of its Directors who are not "interested persons" of the Fund, as defined in the 1940 Act. The function of the audit committee is (1) to oversee the Fund's accounting and financial reporting processes and the audits of the Fund's financial statements and (2) to assist in the Board of Directors' oversight of the integrity of the Fund's financial statements, the Fund's compliance with legal and regulatory requirements and the independent auditors' qualifications, independence and performance. A copy of the Funds' Audit Committee Charter, which describes the audit committee's purposes, duties and powers, is attached as an exhibit to this proxy statement. A copy of the Audit Committee Charter also is available at [www.dreyfus.com](http://www.dreyfus.com).

Each Fund's nominating committee is responsible for selecting and nominating persons as members of the Board of Directors for election or appointment by the Board and for election by stockholders. Each nominating committee member is "independent" as defined by the New York Stock Exchange. A copy of the Funds' Nominating Committee Charter and Procedures is attached as an exhibit to this proxy statement (the "Nominating Committee Charter"). A copy of the Nominating Committee Charter is not available on the Fund's website. In evaluating potential nominees, including any nominees recommended by stockholders, the committee takes into consideration the factors listed in the Nominating Committee Charter, including character and integrity, business and professional experience, and whether the committee believes the person has the ability to apply sound and independent business judgment and would act in the interest of the Fund and its stockholders. The committee will consider recommendations for nominees from stockholders submitted to the Secretary of the Fund, c/o The Dreyfus Corporation Legal Department, 200 Park Avenue, 8th Floor, New York, New York 10166, and including information regarding the recommended nominee as specified in the Nominating Committee Charter.

The function of the compensation committee is to establish the appropriate compensation for serving on the Board. Each Fund also has a standing pricing committee, comprised of any one Director. The function of the pricing committee is to assist in valuing the Fund's investments.

DSM's and DSMB's audit committee met 4 times and 5 times, respectively, during the Fund's last fiscal year. DSM's and DSMB's nominating committee met once and twice, respectively, and each Fund's pricing committee did not meet during the Fund's last fiscal year. DSMB's compensation committee met once and DSM's compensation committee did not meet during the respective Fund's last fiscal year.

Each Fund Director also serves as a director of other funds in the Dreyfus fund complex. Annual retainer fees and attendance fees are allocated on the basis of net assets, with the Chairman of the Board of each Fund, Joseph S. DiMartino, receiving an additional 25% in annual retainer and per meeting fees. The Fund reimburses Directors for their expenses. Emeritus Directors, if any, are entitled to receive an annual retainer and per meeting attended fee of one-half the amount paid to them as Directors. The Funds had no Emeritus Directors as of the date of this proxy statement. Neither Fund has a bonus, pension, profit-sharing or retirement plan.

The aggregate amount of compensation paid to each Nominee by DSMB for its fiscal year ended November 30, 2006, and by DSM for its fiscal year ended September 30, 2006, and the aggregate amount of compensation paid to each such Nominee by all funds in the Dreyfus Family of Funds for which such Nominee was a Board member (the number of portfolios of such funds is set forth in parenthesis next to each Nominee's total compensation) for the year ended December 31, 2006, was as follows:

<b>Name of Nominee and Fund</b>	<b>Aggregate Compensation from each Fund*</b>	<b>Total Compensation from each Fund and Fund Complex Paid to Nominee (**)</b>
William Hodding Carter, III		\$51,000 (30)
DSMB	\$4,298	
DSM	\$7,015	
Gordon J. Davis		\$102,500 (39)
DSMB	\$227	
DSM	\$0	
Joseph S. DiMartino		\$857,400 (193)
DSMB	\$5,373	
DSM	\$8,762	
Joni Evans		\$51,500 (30)
DSMB	\$227	
DSM	\$0	
Ehud Houminer		\$143,250 (79)
DSMB	\$4,298	
DSM	\$7,015	
Richard C. Leone		\$48,000 (30)
DSMB	\$4,298	
DSM	\$6,470	
Robin A. Melvin		\$52,000 (30)
DSMB	\$4,298	
DSM	\$6,470	

\* Amount does not include the cost of office space, secretarial services and health benefits for the Chairman and expenses reim- bursed to Directors for attending Board meetings, which in the aggregate amounted to \$13,849.

\*\* Represents the number of separate portfolios comprising the investment companies in the fund complex, including the Funds, for which the Nominee serves as a Board member.

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For each Fund's most recent fiscal year, the number of Board meetings held and aggregate amount of compensation paid to each Continuing Director who is not a Nominee by each Fund and by all funds in the Dreyfus Family of Funds for which such person is a Board member are set forth on Exhibit A. Certain other information concerning each Fund's Directors and officers also is set forth on Exhibit A.

#### **Required Vote**

The election of a Nominee for each Fund requires the affirmative vote of a plurality of votes cast at the Fund's meeting for the election of Directors.

#### **ADDITIONAL INFORMATION**

##### **Selection of Independent Registered Public Accounting Firm**

The 1940 Act requires that each Fund's independent registered public accounting firm (the "independent auditors" or "auditors") be selected by a majority of those Directors who are not "interested persons" (as defined in the 1940 Act) of the Fund. The audit committee has direct responsibility for the appointment, compensation, retention and oversight of the Fund's independent auditors. At a meeting held on November 6, 2006 for DSMB and August 14, 2006 for DSM, each Fund's audit committee approved and each Fund's Board, including a majority of those Directors who are not "interested persons" of the Fund, ratified the selection of Ernst & Young LLP ("E&Y") as the independent auditors for the respective Fund's fiscal year ending in 2006. E&Y, a major international accounting firm, has acted as auditors of each Fund since the Fund's organization. After reviewing the Fund's audited financial statements for the fiscal year ended September 30, 2006 for DSM, and November 30, 2006 for DSMB, each Fund's audit committee recommended to the Fund's Board that such statements be included in the Fund's annual report to stockholders. Copies of the audit committee's report for DSM and DSMB are attached as Exhibits D and E, respectively, to this proxy statement.

### Independent Auditor Fees and Services

The following chart reflects fees paid to E&Y in each Fund's last two fiscal years. For Service Affiliates (i.e., Dreyfus and any entity controlling, controlled by or under common control with Dreyfus that provides ongoing services to the relevant Fund), such fees represent only those fees that required pre-approval by the audit committee. All services provided by E&Y were pre-approved as required.

	<u>DSM</u> <sup>1</sup>	<u>Service Affiliates</u> <sup>1</sup>	<u>DSMB</u> <sup>2</sup>	<u>Service Affiliates</u> <sup>2</sup>
<b>Audit Fees</b>	\$34,374/\$36,008	N/A	\$34,374/\$36,008	N/A
<b>Audited-Related Fees</b> <sup>3</sup>	\$4,725/\$21,922	\$0/\$0	\$16,800/\$5,122	\$0/\$0
<b>Tax Fees</b> <sup>4</sup>	\$3,018/\$3,235	\$0/\$0	\$2,994/\$3,060	\$0/\$0
<b>Aggregate Non-Audit Fees</b> <sup>5</sup>	\$0/\$0	\$761,002/\$443,981	\$0/\$0	\$917,339/\$375,571

<sup>1</sup> Fiscal years ended September 30, 2005/September 30, 2006.

<sup>2</sup> Fiscal years ended November 30, 2005/November 30, 2006.

<sup>3</sup> Services to the Fund consisted of (i) agreed-upon procedures related to compliance with basic maintenance requirements

for auction preferred stock; and (ii) security counts required by Rule 17f-2 under the 1940 Act.

<sup>4</sup> Services to the Fund consisted of (i) review or preparation of U.S. federal, state, local and excise tax returns; (ii) U.S. federal, state and local tax planning, advice and assistance regarding statutory, regulatory or administrative developments; and (iii) tax advice regarding tax qualification matters and/or treatment of various financial instruments held or proposed to be

acquired or held.

<sup>5</sup> Rendered to the Fund and Service Affiliates.

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**Audit Committee Pre-Approval Policies and Procedures.** Each Fund's audit committee has established policies and procedures (the "Policy") for pre-approval (within specified fee limits) of E&Y's engagements for non-audit services to the Fund and Service Affiliates without specific case-by-case consideration. Pre-approval considerations include whether the proposed services are compatible with maintaining E&Y's independence. Pre-approvals pursuant to the Policy are considered annually.

**Auditor Independence.** Each Fund's audit committee has considered whether the provision of non-audit services that were rendered to Service Affiliates which did not require pre-approval are compatible with maintaining E&Y's independence.

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A representative of E&Y is expected to be present at the meeting, will have the opportunity to make a statement, and will be available to respond to appropriate questions.

### Service Providers

Dreyfus, located at 200 Park Avenue, New York, New York 10166, serves as each Fund's investment adviser. Mellon Trust of New England, N.A., an affiliate of Dreyfus, located at One Mellon Bank Center, Pittsburgh, Pennsylvania 15258, acts as Custodian for the assets of each Fund. PFPC Inc., located at 4400 Computer Drive, Westboro, MA 01581, acts as DSMB's Transfer Agent, Dividend-Paying Agent and Registrar; and The Bank of New York, located at P.O. Box 11258, Church Street Station, New York, New York 10286, acts as DSM's Transfer Agent, Dividend-Paying Agent and Registrar.

On December 4, 2006, Mellon Financial Corporation (Mellon Financial) and The Bank of New York Company, Inc. (BNY) announced that they had entered into a definitive agreement to merge. The new company will be called The Bank of New York Mellon Corporation. As part of this transaction, Dreyfus would become a wholly-owned subsidiary of The Bank of New York Mellon Corporation. The transaction is subject to certain regulatory approvals and the approval of BNY's and Mellon Financial's shareholders, as well as other customary conditions to closing. Subject to such approvals and the satisfaction of the other conditions, Mellon Financial and BNY expect the transaction to be completed in the third quarter of 2007.

### Voting Information

To vote, please complete, date and sign the enclosed proxy card for each Fund you own and mail it in the enclosed, postage-paid envelope.

Each Fund will bear its pro rata share of the cost of soliciting proxies based on the net assets of the Fund. In addition to the use of the mails, proxies may be solicited personally or by telephone, and each Fund may pay persons holding shares of the Fund in their names or those of their nominees for their expenses in sending soliciting materials to their principals. Authorizations to execute proxies may be obtained by fax, or by telephonic instructions in accordance with procedures designed to authenticate the stockholder's identity. In all cases where a telephonic proxy is solicited, the stockholder will be asked to provide his or her address and social security number or other personal identifier (in the case of an individual) or taxpayer identification number (in the case of a non-individual) and to confirm that the stockholder has received the Fund's proxy statement and proxy card in the mail. Within 72 hours of receiving a stockholder's solicited telephonic voting instructions, a confirmation will be sent to the stockholder to ensure that the vote has been taken in accordance with the stockholder's instructions and to provide a telephone number to call immediately if the stockholder's instructions are not correctly reflected in the confirmation. Shares represented by executed and unrevoked proxies will be voted in accordance with the specifications made thereon, and if no voting instructions are given, shares will be voted FOR the Proposals.

If a proxy is properly executed and returned accompanied by instructions to withhold authority to vote, represents a broker non-vote (that is, a proxy from a broker or nominee indicating that such person has not received instructions from the beneficial owner or other person entitled to vote shares of the Fund on a particular matter with respect to which the broker or nominee does not have discretionary power) or marked with an abstention (collectively, abstentions), the Fund's shares represented thereby will be considered to be present at the meeting for purposes of determining the existence of a quorum for the transaction of business. Under Maryland law, abstentions do not constitute a vote for or against a matter and will be disregarded in determining votes cast on an issue.

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### OTHER MATTERS

Neither Fund's Board is aware of any other matter which may come before the meeting. However, should any such matter with respect to one or both Funds properly come before the meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxy in accordance with their judgment on such



matter.

Proposals that stockholders wish to include in a Fund's proxy statement for the Fund's next Annual Meeting of Stockholders must be sent to and received by such Fund no later than December 14, 2007 at the principal executive offices of the Fund at 200 Park Avenue, New York, New York 10166, Attention: Secretary of the Fund. The date after which notice of a stockholder proposal is considered untimely, except as otherwise permitted under applicable law, is February 28, 2008.

Stockholders who wish to communicate with Directors should send communications to the attention of the Secretary of the Fund, 200 Park Avenue, New York, New York 10166, and communications will be directed to the Director or Directors indicated in the communication or, if no Director or Directors are indicated, to the Chairman of the Board of Directors.

**NOTICE TO BANKS, BROKER/DEALERS AND VOTING TRUSTEES AND THEIR NOMINEES**

Please advise, as appropriate, Dreyfus Strategic Municipals, Inc., in care of The Bank of New York, Proxy Department, 101 Barclay Street, New York, New York 10286, or Dreyfus Strategic Municipal Bond Fund, Inc., in care of PFPC Inc., P.O. Box 43027, Providence, RI 02940-3027, whether other persons are the beneficial owners of the shares for which proxies are being solicited, and if so, the number of copies of the proxy statement and other soliciting material you wish to receive in order to supply copies to the beneficial owners of shares.

**IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. THEREFORE, STOCKHOLDERS WHO DO NOT EXPECT TO ATTEND THE MEETING IN PERSON ARE URGED TO COMPLETE, SIGN, DATE AND RETURN EACH ENCLOSED PROXY CARD IN THE ENCLOSED STAMPED ENVELOPE.**

Dated: April 11, 2007

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**EXHIBIT A  
PART I**

Part I sets forth information relevant to the Continuing Directors who are not Nominees for election at this meeting, Board and committee meetings, and share ownership. Unless otherwise indicated, the information set forth herein applies to both Funds.

***Continuing Class III Directors with Terms Expiring in 2008 for DSMB and 2009 for DSM***

The following table presents information about the Continuing Directors of the Funds, including their principal occupations and other board memberships and affiliations. In addition to the Continuing Directors listed below, Messrs. DiMartino, Carter, Leone and Ms. Evans are Class I Continuing Directors of DSMB and Messrs. Houminer and Davis and Ms. Melvin are Class II Continuing Directors of DSM. The address of each Continuing Director is 200 Park Avenue, New York, New York 10166. Each of the Fund's Continuing Directors will continue to serve as a Director of the Funds after the meeting.

<b>Name (Age) of Continuing Director <u>Position with Fund (Since)</u></b>	<b>Principal Occupation <u>During Past 5 Years</u></b>	<b>Other Board Memberships <u>and Affiliations</u></b>
<b>DAVID W. BURKE (70)</b> Class III Director of each Fund (1994)	Corporate Director and Trustee	John F. Kennedy Library Foundation, <i>Director</i>
<b>HANS C. MAUTNER (69)</b>	President - International Division	Capital and Regional PLC,

<b>Class III Director of each Fund</b> (1989)	and an Advisory Director of Simon Property Group, a real estate investment company (1998 - present) Director and Vice Chairman of Simon Property Group (1998 - 2003) Chairman and Chief Executive Officer of Simon Global Limited (1999 - present)	a British co-investing real estate asset manager, <i>Director</i> Member of Board of managers of: Mezzacappa Long/Short Fund LLC Mezzacappa Partners LLC
<b>JOHN E. ZUCCOTTI</b> (69) <b>Class III Director and APS Designee of each Fund</b> (1989)	Chairman of Brookfield Financial Properties, Inc. Senior Counsel of Weil, Gotshal & Manges, LLP Chairman of the Real Estate Board of New York	Emigrant Savings Bank, <i>Director</i> Wellpoint, Inc., <i>Director</i> Visiting Nurse Service of New York, <i>Director</i> Columbia University, <i>Trustee</i> Doris Duke Charitable Foundation, <i>Trustee</i>
<b>BURTON N. WALLACK</b> (56) <b>Class III Director of each Fund</b> (2006)	President and co-owner of Wallack Management Company, a real estate management company	None

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The table below indicates the dollar range of each Continuing Director's and Nominee's ownership of shares of each Fund's Common Stock and shares of other funds in the Dreyfus Family of Funds for which he or she is a Board member, in each case as of December 31, 2006.

<b><u>Name of Continuing Director or Nominee</u></b>	<b><u>DSM Common Stock</u></b>	<b><u>DSMB Common Stock</u></b>	<b><u>Aggregate Holding of Funds in the Dreyfus Family of Funds for which Responsible as a Board Member</u></b>
David W. Burke	None	None	Over \$100,000
Hodding Carter III*	None	None	None
Gordon J. Davis*	None	None	\$10,001 - \$50,000
Joseph S. DiMartino*	None	None	Over \$100,000
Joni Evans*	None	None	\$10,001 - \$50,000
Ehud Houminer*	None	None	Over \$100,000
Richard C. Leone*	\$10,001 - \$50,000	\$1 - \$10,000	Over \$100,000
Hans C. Mautner	None	None	Over \$100,000
Robin A. Melvin*	None	None	\$1 - \$10,000
Burton N. Wallack	None	None	None
John E. Zuccotti	None	None	Over \$100,000

\* Nominee

As of December 31, 2006, none of the Nominees or Continuing Directors or their immediate family members owned securities of Dreyfus or any person (other than a registered investment company) directly or indirectly controlling, controlled by or under common control with Dreyfus.

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### PERTAINING TO THE BOARD OF EACH FUND

- DSM held 4 Board meetings, DSMB held 5 Board meetings and DSM's and DSMB's audit committees met four and five times, respectively, during its last fiscal year.
- The Funds do not have a formal policy regarding Directors' attendance at annual meetings of stockholders. Directors did not attend last year's annual meeting.
- All Continuing Directors and Nominees (who were Directors at the time) attended at least 75% of all Board and committee meetings, as applicable, held in the last fiscal year.

**Compensation Table.** The aggregate amount of compensation paid to each Continuing Director by DSMB for its fiscal year ended November 30, 2006, and by DSM for its fiscal year ended September 30, 2006, and by all funds in the Dreyfus Family of Funds for which such Director was a Board member (the number of portfolios of such funds is set forth in parenthesis next to each Director's total compensation) for the year ended December 31, 2006, was as follows:

<b><u>Name of Continuing Director and Fund</u></b>	<b><u>Aggregate compensation from each Fund*</u></b>	<b><u>Total compensation from each Fund and fund complex paid to Continuing Director (**)</u></b>
David W. Burke		\$285,500 (83)
DSMB	\$4,298	
DSM	\$7,015	
Hans C. Mautner		\$48,000 (30)
DSMB	\$4,298	
DSM	\$7,015	
Burton N. Wallack		\$51,500 (30)
DSMB	\$227	
DSM	\$0	
John E. Zuccotti		\$51,500 (30)
DSMB	\$4,298	
DSM	\$7,015	

\* Amount does not include the cost of office space, secretarial services and health benefits for the Chairman and expenses reimbursed to Directors for attending Board meetings, which in the aggregate amounted to \$13,849.

\*\* Represents the number of separate portfolios comprising the investment companies in the fund complex, including the Funds, for which the Director serves as a Board member.

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## PART II

Part II sets forth information relevant to the officers of each Fund.

<b>Name and Position with Funds (Since)</b>	<b>Age</b>	<b>Principal Occupation and Business Experience For Past Five Years</b>
<b>J. DAVID OFFICER</b> President (2006)	58	Chief Operating Officer, Vice Chairman and a director of Dreyfus and an officer of 89 investment companies (comprised of 186 portfolios) managed by Dreyfus.
<b>A. PAUL DISDIER</b> Executive Vice President (2002)	50	Director of Dreyfus Municipal Securities and an officer of 2 other investment companies (comprised of 2 portfolios) managed by Dreyfus.
<b>MARK N. JACOBS</b> Vice President (2002)	61	Executive Vice President, Secretary and General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JAMES WINDELS</b> Treasurer (2001)	48	Director of Mutual Fund Accounting of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JOHN B. HAMMALIAN</b> Vice President and Assistant Secretary (2005)	43	Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>MICHAEL A. ROSENBERG</b> Vice President and Assistant Secretary (2005)	47	Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JAMES BITETTO</b> Vice President and Assistant Secretary (2005)	40	Associate General Counsel and Assistant Secretary of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JONI LACKS CHARATAN</b> Vice President and Assistant Secretary (2005)	51	Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JOSEPH M. CHIOFFI</b> Vice President and Assistant Secretary (2005)	45	Associate General Counsel of Dreyfus, and

an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.

**JANETTE E. FARRAGHER**

Vice President and Assistant Secretary (2005) 44

Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.

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<b>Name and Position with Funds (Since)</b>	<b>Age</b>	<b>Principal Occupation and Business Experience For Past Five Years</b>
<b>ROBERT R. MULLERY</b> Vice President and Assistant Secretary (2005)	55	Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JEFF PRUSNOFSKY</b> Vice President and Assistant Secretary (2005)	41	Associate General Counsel of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>ERIK D. NAVILOFF</b> Assistant Treasurer (2002)	38	Senior Accounting Manager □ Taxable Fixed Income Funds of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>GAVIN C. REILLY</b> Assistant Treasurer (2005)	38	Tax Manager of the Investment Accounting and Support Department of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>ROBERT S. ROBOL</b> Assistant Treasurer (2005)	43	Senior Accounting Manager □ Money Market Funds of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>ROBERT SVAGNA</b> Assistant Treasurer (2005)	40	Senior Accounting Manager □ Equity Funds of Dreyfus, and an officer of 90 investment companies (comprised of 202 portfolios) managed by Dreyfus.
<b>JOSEPH W. CONNOLLY</b> Chief Compliance Officer (2004)	49	Chief Compliance Officer of Dreyfus and The Dreyfus Family of Funds (90 investment companies, comprised of 202 portfolios). From November 2001 through March 2004, Mr. Connolly was first Vice-President, Mutual Fund Servicing for Mellon Global Securities Services.

In that capacity, Mr. Connolly was responsible for managing Mellon's Custody, Fund Accounting and Fund Administration services to third-party mutual fund clients. He has served in various capacities with Dreyfus since 1980, including manager of the firm's Fund Accounting Department from 1997 through October 2001.

The address of each officer of the Funds is 200 Park Avenue, New York, New York 10166.

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**PART III**

Part III sets forth information for each Fund regarding the beneficial ownership of its shares as of April 5, 2007 by Nominees, Continuing Directors and officers of the Fund owning shares on such date and by any shareholders owning 5% or more of the Fund's outstanding shares.

As of April 5, 2007, each Fund's Directors and officers, as a group, owned less than 1% of the Fund's outstanding shares.

As of April 5, 2007, the following Directors and officers owned shares of Common Stock of the Funds as indicated below:

<u>Directors</u>	<b>DSM Shares of Common Stock Owned</b>	<b>DSMB Shares of Common Stock Owned</b>
None		
<u>Officers</u>		
A. Paul Disdier	11,500	2,500

To each Fund's knowledge, no person owned beneficially 5% or more of the outstanding shares of Common Stock or the outstanding shares of APS of a Fund on April 5, 2007. Cede & Co. held of record approximately 90.81% and 91.43% of the outstanding Common Stock for DSM and DSMB, respectively, and 100% of the outstanding shares of APS of each of DSM and DSMB.

**Section 16(a) Beneficial Ownership Reporting Compliances**

To each Fund's knowledge, all of its officers, Directors and holders of more than 10% of its Common Stock or APS complied with all filing requirements under Section 16(a) of the Securities Exchange Act of 1934, as amended, during the fiscal year ended September 30, 2006 for DSM and November 30, 2006 for DSMB. In making this disclosure, each Fund has relied solely on written representations of such persons and on copies of reports that have been filed with the Securities and Exchange Commission.

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**EXHIBIT B**

