

OMAC MuniNews

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News & Views About the Ohio Municipal Finance Industry

December 1999

www.ohiomac.com

from the Director



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GURNEY

The OMAC staff would like to take this time to wish our readers a joyous holiday season and best wishes for the year 2000. As we enter the next millennium, OMAC looks forward to continuing to provide our members and issuers of municipal debt, an extended database and improved access thereto.

Since its introduction in 1989, OMAC's on-line information system (*ofin*), has gone through many updates and changes, the most important being the accessibility to our database being moved from our midrange computer system to the Internet in 1996. Over the years, suggestions from *ofin* users have enabled us to improve the system. Next year, we once again will upgrade our database availability with *ofin 2000*.

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THE ECONOMIC OUTLOOK

Viewpoint and Commentary

By Richard H. Stillman, CFA

Our nation enters the new millennium with a robust economy characterized by low unemployment and low inflation. We have enjoyed an unprecedented period of growth in economic activity. Understandably, the tendency of many forecasters is to predict more of the same prosperity in the years ahead. However, economic history teaches that no two decades are ever the same. Could we possibly imagine that decade 2000 may not be like the decade of the 1990s?

The concern is that few people are thinking about anything other than a rosey economic outlook. Moreover, there is a growing generation of people with responsible positions in financial management who have never seen bad economic times in their careers.

The typical rationale from believers in endless growth and prosperity is "this time things are different." To be sure, things are different now.

Many observers believe that the Internet driven transformation of our economy is as momentous as the industrial revolution. However, it seems advisable to remember that continuous economic prosperity is not a given. Despite management efforts to make each new year better than before, nothing goes straight up forever. The law of economic gravity has not been repealed. Sooner or later some misfortune beyond our control could interfere with continuous growth.

As we look forward there are many positive elements in the economic outlook for the next decade. A balanced viewpoint indicates generally favorable conditions for business and the securities markets. So, financial managers probably are not placing heavy bets on the four horsemen of the apocalypse. Still it may be worthwhile to consider how we would cope with temporary periods of dis-

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Economic Outlook

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prosperity that could develop due to self-inflicted excesses or exogenous shocks from global forces.

Successful financial managers in the new decade will plan for and deal with an economic environment that most likely will not be the same as the 1990s. Therefore, this cautious economic forecast for partly sunny with some chances for rain seems more useful than a forecast for perennially blue skies.

Richard Stillman is a Vice President with Fifth Third Securities, Inc. He also is an Adjunct Professor in the MBA program at Capital University in Bexley, Ohio. Comments expressed here do not reflect the view of his employers.

From the Director

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As our economy prospers, forecasters are looking ahead to the future for continual growth. This month's feature article gives a timely viewpoint on the economic outlook as we approach the year 2000 and gives the reader "something different to think about."

Finally, we have included some highlights from OMAC's 1999 annual report. We hope you find the information useful.

Looking for Local Finance Officers' Organizations

OMAC is creating a database containing local finance officers' organizations. If you are an officer in such an organization, please contact Chris Scott at 800-969-6622.

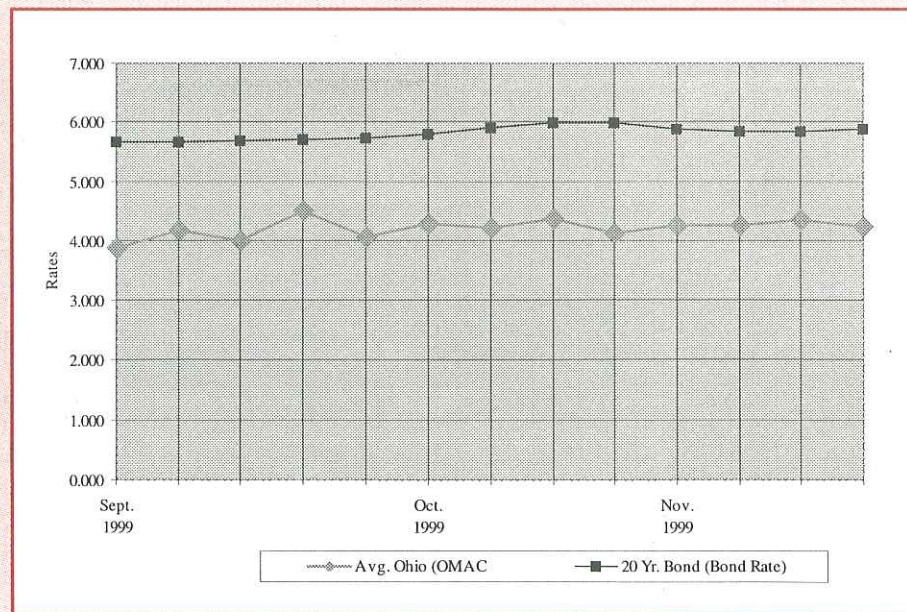
MARKET UPDATE

Note and Bond Interest Rates for September thru November 1999

General Obligation

This graph compares Ohio short-term note coupon rates with the Bond Buyer's 20 year bond index. The short-term rates represent actual rates reported to OMAC by Ohio purchasers and reported on OMAC's weekly calendar.

NOTE: Actual rates paid may vary due to the inclusion of various issuing expenses.



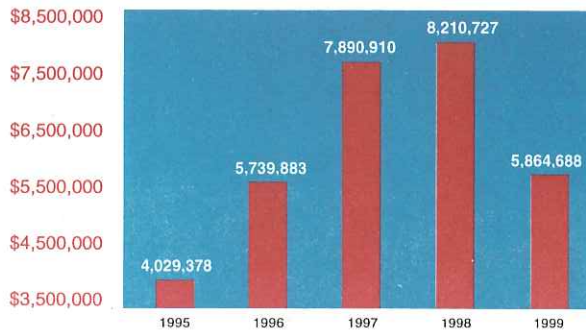
1999 Annual Report

1999 proved to be a very busy year for OMAC. This year, OMAC produced over 980 bond and note reports. While slightly down from 1998 levels, the volume is still significant thanks to a stable interest rate environment.

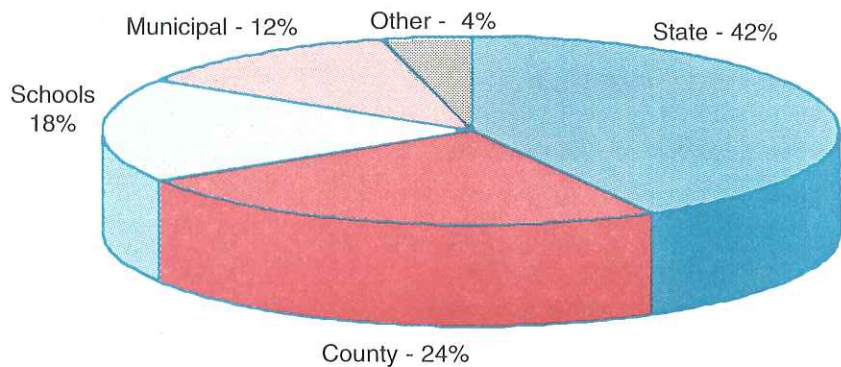
Because this is OMAC's final newsletter of 1999, we decided to include information taken from our 1999 annual report. The graphs shown on this page highlight the 1999 bond sales volume by subdivision and by debt type. As can be seen, the State of Ohio was the primary issuer with approximately 42% of the overall volume.

Looking ahead to the year 2000, we anticipate volume to slow down approximately 12-15%. However, even with the decrease, we still expect a healthy volume of issuance.

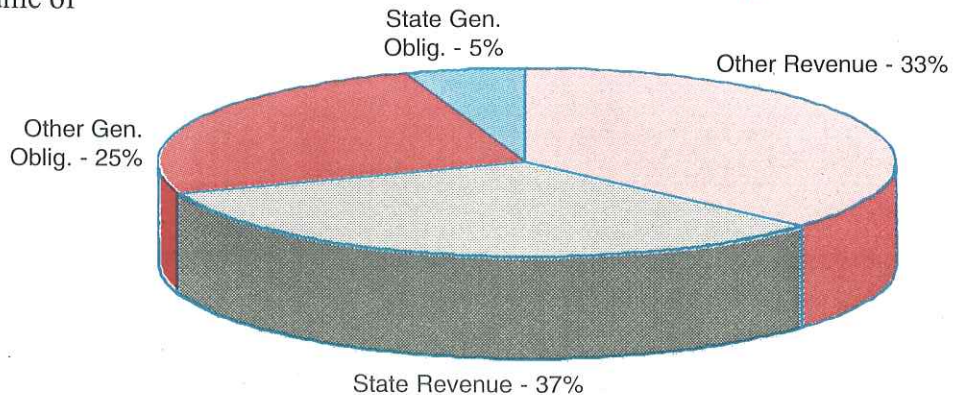
Bond and Over One Year Note Sales
(-000- omitted)



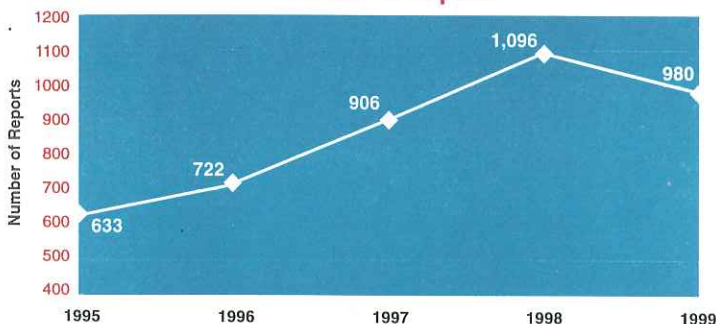
Volume of Bond Sales in 1999 - Subdivision



Volume of Bond Sales in 1999 - Debt Type



Number of Reports



These charts and schedules show bond and note activity in Ohio in 1999. The 1999 figure reflects issues OMAC has been made aware of through 12/20/99.



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 Twinsburg, OH 44087-2445

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CALENDAR

Issuer Conferences & Outings for 2000

NAME	EVENT	DATE	LOCATION
GFOA	National Conference	June 11 - 14	Chicago, Illinois
	Ohio Golf Outing	July 10	Sawmill Creek Resort - Huron, Ohio
	Annual Fall Conference	September 20 - 22	Radisson Hotel - Cincinnati, Ohio
MFOA (OML)	Spring Conference	May 10 - 12	Holiday Inn - Worthington, Ohio
	Annual Conference	September 12-14	Hyatt Regency Hotel - Columbus, Ohio
	Northeast Golf Outing	To Be Determined	
	North-Central Golf Outing	To Be Determined	
CCAO	Summer Conference	June 4 - 6	Radisson Hotel - Toledo, Ohio
	Winter Conference	December 10 - 13	Hyatt Regency - Columbus, Ohio
	Midwest Conference	September 5 - 7	Maumee Bay State Park - Oregon, Ohio
	Annual Golf Outing	August 9	Wooldridge Golf & Swim Club - Mansfield, Ohio
OASBO	Annual Workshop	March 26 - 29	Hyatt Regency - Columbus Convention Center
OMCA	Spring Conference	April 4-6	Holiday Inn French Quarters - Perrysburg, Ohio
OSBA	Conference	November 12 - 15	Hyatt Regency - Columbus Convention Center
NACO	National Conference	July 14 - 18	Charlotte, North Carolina
	Winter Conference	December 10 - 14	Hyatt Regency - Columbus, Ohio
OPFOTP	Ohio Public Finance		
	Officers Training Program	June 19 - 23	Holiday Inn - Hudson, Ohio
	CMFA Maintenance Program	June 22 - 23	Holiday Inn - Hudson, Ohio
	Golf Outing	June 21	Boston Hills Golf Course - Hudson, Ohio
OMTA	Annual Conference	October 4 - 6	Salt Fork State Lodge - Cambridge, Ohio
CAAO	Summer Conference	June 5 - 7	Saw Mill Creek Lodge - Huron, Ohio
	Winter Conference	December 5 - 7	Hilton Easton - Columbus, Ohio
BMA	Annual Meeting	February 3 - 6	Westin Rio Mar Beach Resort - Puerto Rico
OPEC	Annual Meeting	November 8- tentatively	Columbus, Ohio

CCAO - County Commissioners Association of Ohio..... (614) 221-5627
 GFOA - Government Finance Officers Association..... (614) 221-1900
 MFOA - Municipal Finance Officers Association of Ohio.....(614) 221-4349
 NACO - National Association of Counties.....(614) 221-5627
 OASBO - Ohio Association of School Business Officials.....(614) 431-9116
 OMCA - Ohio Municipal Clerks Association.....(614) 221-4349

OSBA - Ohio School Boards Association..... (614) 540-4000
 OMTA - Ohio Municipal Treasurers Association(440) 885-8812
 CAAO - County Auditor's Association of Ohio.....(614) 228-2226
 OPFOTP - Ohio Public Finance Officers Training Program.....(330) 672-7148
 BMA - Bond Market Association.....(212) 440-9429
 OPEC - Ohio Public Expenditure Council.....(614) 221-7738

If you would like your event highlighted, contact Chris Scott at 1-800-969-6622, or by email at Christ@ohiomac.com