The Year 2000 problem, commonly known as Y2K. What is it? Where did it come from?

Well, first of all leave it up to the people who created the problem in the first place, to shorten even the name!

In the simplest terms, the “Year 2000” problem is the computer’s inability to accurately process dates that extend beyond December 31, 1999. Back in the days before PCs, computing was an expensive undertaking that relied on pieces of cardboard called Hollerith cards.

Information was stored on these cards by punching patterns of holes that could be read with a beam of light. Unfortunately, these cards only had enough space to accommodate 80 characters. One way of saving space, time (and money) was to abbreviate the year to the last two digits, thereby eliminating the crucial ‘19’. At the time, it seemed to be a reasonable compromise between accuracy, speed and cost. The use of two-digit dates was also later adopted by modern (midrange & PC) hardware and software manufacturers, and therein lies the problem.

In the Year 2000, computers around the world won’t know what year it is. Dates in the Year 2000 represented as ‘00’ (or ‘01’, ‘02’, and so on) may appear to precede dates in 1999 represented as ‘99’, or might not appear to be valid dates at all. The repercussions are enormous. The problem is everywhere, from our home and business computers, to environmental controls, elevators and other critical devices. The Year 2000 is not a complex technical problem, but rather one of size and scope. The Y2K problem impacts our ability to conduct business, directly by effecting our internal computer systems and indirectly by effecting our suppliers and customers.

You have probably heard all about the Year 2000 problem and how your company must upgrade “the software.” Did you know that your computer’s hardware might not be “Year 2000 compliant.” All modern computer systems have embedded firmware (or software) that enables the CPU to “boot-up” and then acknowledge the native software system. This hardware operating system may not be Y2K compliant. Did you know that:

• 93% of PC’s purchased with BIOS dated before 1997 were not Year 2000 compliant.
• 500 PC’s purchased in 1997 (all BIOS dated 1997) were tested and 47% were found not to comply with the year 2000.

PC Specialist Karl Feilder, ComputerWeekly

• Your IBM Midrange hardware may not be “Year 2000” compliant. Current models, versions and releases of IBM hardware are “Year 2000 ready.”

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YEAR 2000

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• There is a difference between “Year 2000 Ready” and “Year 2000 Compliant.” “Year 2000 Ready” by IBM definition means that the equipment, when used in accordance with the hardware's associated documentation, is capable of correctly processing, providing and/or receiving date data within and between the 20th century and 21st centuries, provided that all other products used with this product properly exchange accurate date data with it. “Year 2000 Compliant” is the IEEE formal standard that is the functional equivalent of IBM’s definition of ready.

• To find the IBM Midrange and other IBM hardware products that are ready, go to: http://www.ibm.com/year2000

• The Year 2000 disaster is worse than claimed . . . $600 Billion . . . far more than cost of past three decades of natural disasters (earthquakes, floods, hurricanes) . . . The actual cost will likely be much larger . . .

Paul Strassmen, ComputerWorld

The Year 2000 problem is serious for two reasons: 1) the scope of the effort, and 2) the unmovable, unforgiving deadline. Your systems must be Y2K compliant or they will FAIL. This is where the trained professionals at Great Lakes Computer Corporation (GLC) can help you “Tackle the Y2K Beast.” GLC can assist your organization plan and execute all of the necessary steps required for total Y2K compliance, from the Assessment and Inventory stage all the way through the Testing and Implementation phases. Don’t ignore the Year 2000 problem, it won’t go away and if your not prepare . . . It could be the end of the road . . .

MARKET UPDATE

EMPLOYEE SPOTLIGHT

Name: Linda Weiss
Length of Service: 27 years
Main Duties with OMAC:
Coordinating the writing of all pre-sale and post-sale general obligation reports, maintains the note and bond files, reviews all annual reports, reviews official statements and legal opinions and takes a considerable number of information requests.
Family: Married, one daughter.
Interests: Girl Scout leader for 7 years—serving as a junior level consultant for the past 3 years.
Loves to read.

General Obligation

Note and Bond Interest Rates for December 1998 thru February 1999

This graph compares Ohio short-term note 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.
Why File with the OMAC?

DISCLOSURE: Why Should You Comply?

OMAC is in the process of preparing our annual mailing to Ohio's subdivisions requesting financial and other data. Why should you comply with this request?

If you have issued debt since July 3, 1995, you are probably aware of the disclosure requirements enacted by the SEC, requiring continuing disclosure of certain documents with the Nationally Recognized Municipal Security Information Repositories (NRMSIRS) and Ohio's State Information Depository (SID). Why then, does the OMAC continue to request additional data on an annual basis?

If you have not issued debt since July 3, 1995, and perhaps haven't issued debt for a considerable time prior to that, why should you file any information at all?

Whichever applies to your particular situation, the answer is identical.

OMAC is not an information clearing house. We not only provide the information that is required of us in our capacity as Ohio's SID, but also utilize the information that is filed with us to benefit Ohio's municipal bond market—the issuer, bond counsel, underwriters and traders, the ultimate purchaser and the taxpayer—by:

- Promoting Ohio municipal bonds in both the primary and secondary markets;
- Improving the climate in which Ohio municipal bond dealers operate;
- Assisting in creating demand for Ohio municipal bonds through the issuance of reports and publications;
- Providing information not available any place else, on all Ohio issuers of municipal debt, for bond counsel, financial advisors, underwriters and traders; and
- Creating marketing conditions that allow the issuance of debt at lower interest rates than could otherwise be attained, thus saving local governments and their taxpayers significant interest cost.

When you receive our next request—in the next few weeks for counties and municipalities, or later this year for school districts—please take the time to respond.

Are You Prepared?

If you have issued debt since July 3, 1995, you may be required by the Securities and Exchange Committee (SEC) to file certain types of information with Nationally Recognized Municipal Securities Industry Repositories (NRMSIRS) and/or with OMAC, the designated State Information Depository (SID) for Ohio.

SEC rule 15c2-12 prohibits any broker, dealer or municipal securities dealer from purchasing or selling municipal securities unless they have reasonably determined an issuer will provide certain information to the designated information depositories. Required filings include:

- Annual information consisting of annual financial information and financial statements; and
- Notices of Material Events.

The names and addresses of those depositories to whom the required filings must be sent are:

NRMSIRS
Bloomberg Municipal Repositories
P.O. Box 840
Princeton, New Jersey 08542-0840

DPC Data Inc.
One Executive Drive
Fort Lee, New Jersey 07024

Kenny Information Systems, Inc.
Attn: Kenny Repository Services
65 Broadway – 16th Floor
New York, New York 10006

Thomson NRMSIR
Attn: Municipal Disclosure
395 Hudson Street, 3rd Floor
New York, New York 10014

SID
Ohio Municipal Advisory Council
9321 Ravenna Road, Unit K
Twinsburg, Ohio 44087-2445

OMAC will expand on disclosure requirements and keep you informed of issues affecting the disclosure process in future newsletters.
<table>
<thead>
<tr>
<th>NAME</th>
<th>EVENT</th>
<th>DATE</th>
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<tr>
<td>GFOA</td>
<td>National Conference</td>
<td>May 23-26</td>
<td>Nashville, Tennessee</td>
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<td>Ohio Golf Outing</td>
<td>July 12</td>
<td>Sawmill Creek Resort - Huron, Ohio</td>
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<td>Annual Fall Conference</td>
<td>September 15-17</td>
<td>Wyndham Hotel - Cleveland, Ohio</td>
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<td>MFOA (OML)</td>
<td>Annual Conference</td>
<td>September 15-17</td>
<td>Hyatt Regency Hotel - Cincinnati, Ohio</td>
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<td>Northeast Golf Outing</td>
<td>August 4</td>
<td>Ridgewood Golf Course - Parma, Ohio</td>
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<td>North-Central Golf Outing</td>
<td>August 25</td>
<td>Woussickett Golf Course - Sandusky, Ohio</td>
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<td>CCAO</td>
<td>Conference</td>
<td>June 13-15</td>
<td>Renaissance Hotel - Cleveland, Ohio</td>
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<td></td>
<td>Conference</td>
<td>November 28 - December 1</td>
<td>Hyatt Regency Hotel - Columbus, Ohio</td>
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<td>OASBO</td>
<td>Conference</td>
<td>April 18-21</td>
<td>Columbus Convention Center</td>
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<td>OMCA</td>
<td>Conference</td>
<td>April 13-15</td>
<td>Radisson (formerly Marriott) - Sharonville, Ohio</td>
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<td>OSBA</td>
<td>Conference</td>
<td>November 7-10</td>
<td>Columbus Convention Center</td>
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<td>NACO</td>
<td>National Conference</td>
<td>July 16 - 20</td>
<td>St. Louis County - St. Louis, Missouri</td>
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<td>Ohio Public Finance Officers Training Program</td>
<td>June 14 - 18</td>
<td>Holiday Inn - Hudson, Ohio</td>
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<td>CMFA Maintenance Program Golf Outing</td>
<td>June 17 - 18</td>
<td>Holiday Inn - Hudson, Ohio</td>
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<td>June 16</td>
<td>Boston Hills Golf Course - Hudson, Ohio</td>
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<td>OMTA</td>
<td>Annual Conference</td>
<td>October 6 - 8</td>
<td>Radisson (formerly Marriott) - Sharonville, Ohio</td>
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<td>CAAO</td>
<td>New Auditors' Seminar</td>
<td>April 12 - 15</td>
<td>Hyatt on Capital Square - Columbus, Ohio</td>
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<td>Summer Conference</td>
<td>June 21 - 24</td>
<td>Cantor Hilton - Canton, Ohio</td>
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<td>Winter Conference</td>
<td>December 7 - 9</td>
<td>Crown Plaza - Columbus, Ohio</td>
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<td>BMA</td>
<td>1999 Annual Meeting</td>
<td>June 22-25</td>
<td>Fairmont Hotel - San Francisco, California</td>
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If you would like your event highlighted, contact Chris Scott at 1-800-969-6622, or by email at Chris@ohiomac.com