

OMAC MuniNews

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News & Views About the Ohio Municipal Finance Industry

April 2001

www.ohiomac.com

from the Director



**KEN
GURNEY**

Once again the process of filing continuing disclosure documents with the NRMSIRS and OMAC, as the Ohio SID, is underway. As we move further from the date the continuing disclosure requirements rule was (SEC Rule 15c2-12) enacted July 3, 1995 we are finding more and more of our "reminder" letters being received by finance officers who have no knowledge of what must be filed, or even why anything has to be filed at all. It is important to remember that these required filings are imperative to your ability to issue securities in the future as the rule prohibits municipal securities dealers from purchasing or selling municipal securities unless they have reasonably determined an issuer will provide the agreed upon filings. Additionally, as the Ohio SID, we are receiving more and more requests from the accounting firms auditing your books, requesting confirmation that the required filings were made by the required date. If you have any questions as to what has to be filed, or why it has to be filed, please contact me at 800-969-6622 or email me at Ken@Ohiomac.com.

Local Government Funds

*By Lieutenant Governor Maureen O'Connor
Chair, State and Local Government Commission*

The State of Ohio recognizes we our state government shares many of the same goals as our counties and local governments — high-quality education, strong economy, diverse job market and excellent health care. Ohio will succeed only if our counties succeed.

Next year, our state government will contribute more than \$1 billion of state-generated revenues to local governments and public libraries statewide. As with any type of revenue sharing plan, when revenues increase, there is ample money to share. Unfortunately, the opposite is also true, and the state is currently facing a dire situation.

We are challenged by a mandate from the Ohio Supreme Court to greatly increase education funding, and we are confronted with skyrocketing Medicaid costs — all while our state revenues are declining. These three factors leave the state a very difficult choice. We can raise taxes and generate more revenue, or we can try to limit government spending. We feel very strongly against raising the tax burden on our residents, therefore, we must control our spending.

One of the results will be for local government funds to temporarily remain at the current funding level of \$1.3 billion annually for the next two years. Through this budget belt tightening, the state is not asking the counties and local governments to do anything more than our own state agencies are doing. In fact, many state agencies will see their budgets decrease, while the local governments will remain at current funding levels — a much better alternative than decreasing funding to local governments.

Local governments need not look beyond their local school districts to see where the funding is being shifted as a result of this action. The state is reinvesting the savings directly into education because of the Ohio Supreme Court mandate to increase education funding.

Local and state governments need to work together during times of economic hardships. The state is committed to continue sharing its revenues with local governments and will increase funding when it is available. Ohio strives to enable our counties and local governments to succeed. After all, that is our shared goal.

Info Corner

Over the years, OMAC has developed a substantial database of financial information on Ohio subdivisions. For the past ten years we have made this information available to our members on-line. The last couple of years this information has been available to the subdivisions in the state as well. While many subdivisions have signed up for access to this data, we feel that there are many of you that may be unfamiliar with what is actually available on this website. Therefore, over the next several issues of this newsletter we will be providing brief explanations of what you will find on our site. In this issue you will find a listing of menu selections available on *ofin2000*, our information database. In each of the next few issues we will take several of these selections and describe what you will find on each page. Below is a listing of menu selections currently available on *ofin2000*:

- Outstanding Bond Issues by Subdivision
- Outstanding Note Issues by Subdivision
- Assessed Valuation History
- Real Estate Breakdown
- Debt Statement (Current, Previous January 1, Previous July 1)
- Indirect 10-mill Limitation (Current, Previous January 1, Previous July 1)
- Direct Debt Limitation (Current, Previous January 1, Previous July 1)
- Net Overlapping Debt - Excluding Self-Supported Debt (Current, Previous January 1, Previous July 1)
- Net Overlapping Debt - Including Self-Supported and Special Assessment Debt (Current, Previous January 1, Previous July 1)
- Election History
- Property Tax Rates
- Public Utility Earnings
- Debt Comparison By Year
- General Fund Activity
- Income Tax / Sales Tax Information
- School District Composition
- Finance Officer Listing

If you would like access to this data please call OMAC at (800) 969-6622 or e-mail your request to lorrie@Ohiomac.com. The database is located at www.Ohiomac.com under the member area and then *ofin*. While anyone can access the home page, you will need a password to access the member area and *ofin2000*.

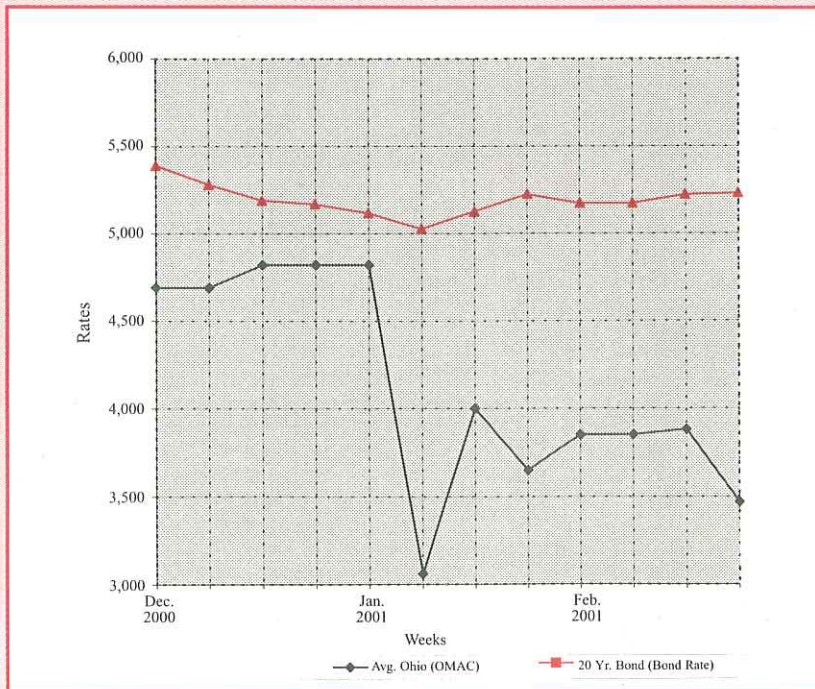
MARKET UPDATE

GENERAL OBLIGATION

Note and Bond Interest Rates for December thru February

The following 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.

The downward "spike" during the second week of January represents one reported note issue at 3.06% rate.



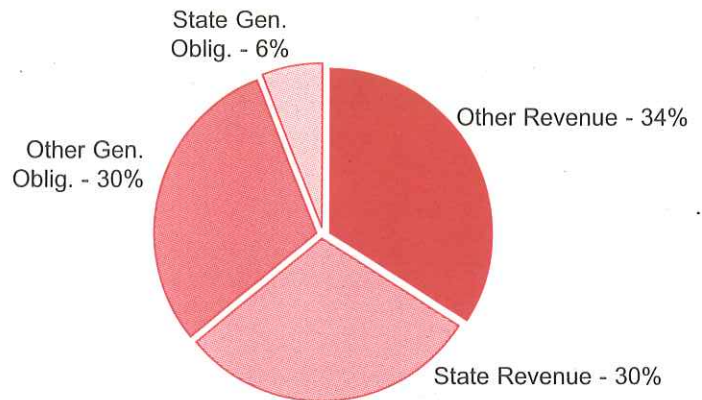
2000 Annual Report

2000 was another busy year for OMAC. During that time, OMAC produced 965 bond and note reports. This level mirrors 1999 volume which was 980 reports. The majority of the 2000 volume can be attributed to a significant increase in note debt issuance due to higher interest rates in 2000.

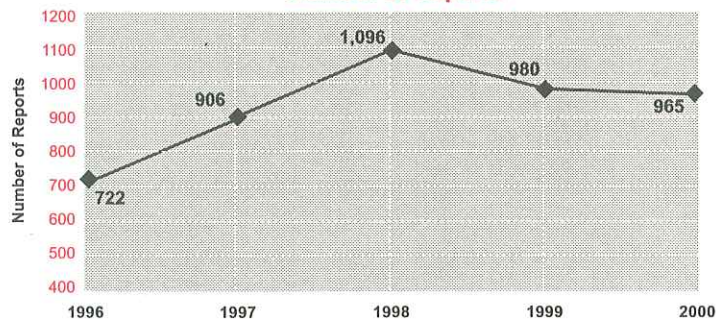
The graphs on this page highlight the 2000 Ohio bond sales volume by subdivision and debt type. Similar to 1999, the State of Ohio was the primary issuer with approximately 39% of the overall volume.

Looking ahead throughout 2001, we anticipate a healthy level of issuance due to the lower interest rate environment and increased infrastructure needs.

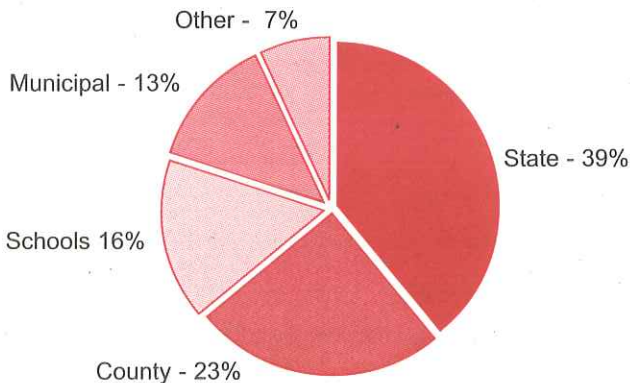
Volume of Bond Sales in 2000 - Debt Type



Number of Reports

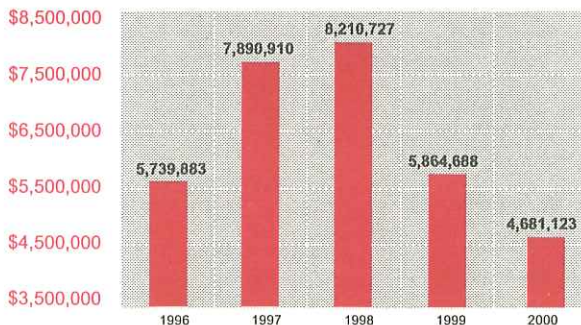


Volume of Bond Sales in 2000 - Subdivision



Bond and Over One Year Note Sales

(-000- omitted)



Volume of Bond Sales in 1999 - Subdivision

JUST A REMINDER...

To all members of the Ohio MTA, Cleveland has the privilege and honor of hosting the 2001 National Conference of the MTA United States & Canada. The conference will be held at the Renaissance Hotel on July 29 thru August 1, 2001. The Ohio MTA Annual Conference will be held in conjunction with the National Conference. For additional information and registration forms, go to www.MTAUSC.org or call (202) 737-0660. If you are not a member of the Ohio MTA and would like membership information, please contact either Jack Krise (440) 885-8812 or James Bell (330) 925-2063.



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 Twinsburg, OH 44087-2445

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CALENDAR

Calendar of Issuer Conferences & Outings for 2001

<u>NAME</u>	<u>EVENT</u>	<u>DATE</u>	<u>LOCATION</u>
GFOA	National Conference	June 3 - 6	Philadelphia, Pennsylvania
	Ohio Golf Outing	July 9	Sawmill Creek Resort - Huron, Ohio
	Annual Fall Conference	September 19 - 21	Hilton Columbus at Easton - Columbus, Ohio
MFOA (OML)	Spring Conference	May 9 - 11	Marriott North - Columbus, Ohio
	Annual Conference	October 10 - 12	Radisson Hotel - Toledo, Ohio
	Northeast Golf Outing	Early August	Believed to be Ridgewood Golf Club - Parma, Ohio
	North-Central Golf Outing	August 22	Woussicket Golf Course - Sandusky, Ohio
CCAO	Summer Conference	June 2 - 5	Hilton Columbus - Gahanna, Ohio
	Winter Conference	December 9 - 12	Hyatt Regency - Columbus, Ohio
	Annual Golf Outing	August 15	Woodridge Golf & Swim Club - Mansfield, Ohio
OASBO	Annual Workshop	April 30 - May 2	Hyatt Regency - Columbus Convention Center
OMCA	Spring Conference	A -	Holiday Inn Lakeshore - Cleveland, Ohio
OSBA	Conference	N	Hyatt Regency - Columbus Convention Center
NACO	National Conference		Philadelphia, PA
OPFOTP	Ohio Public Finance Officers Training Program	June 18 - 22	Holiday Inn - Hudson, Ohio
	CMFA Maintenance Program	June 21 - 22	Holiday Inn - Hudson, Ohio
	Golf Outing	June 20	Brandywine Country Club - Peninsula, Ohio
OMTA/ MTA U.S. & C	National Conference	July 29 - August 1	Renaissance Hotel - Cleveland, Ohio
CAAO	Summer Conference	June 11 - 14	Cincinnati Marriott North - Westchester, Ohio
	Winter Conference	December 4 - 6	Columbus Marriott North - Columbus, Ohio
BMA	Annual Meeting	April 26 - 29	The Greenbrier - White Sulphur Springs, WV
OPEC	Annual Meeting	TBD	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 Chris@ohiomac.com