Mun-Ease News

Release 9.65 Ships!

New releases for our customers

This summer has been a busy time for us. We've made several new enhancements to our 16-bit and 32-bit products. Our 9.0 customers receive a CD-ROM with the 9.65 release (the 32-bit product). Our 8.0 customers receive the a CD-ROM with the 8.99b release (the 16-bit product). These updates are shipped to our customers free-of-charge. We'll describe the new features included on these CD-ROMS later in this newsletter.

The 1999 User Group Meeting

Our 1999 user group meeting was held in Nashville during the annual GFOA conference. Howard Stevens (Director of Special Investments for the Bureau of Public Debt) and Michael Mastrorocco (supervisory program analyst) were guest speakers. They demonstrated the Bureau's new Internet project. This system will allow issuers to purchase, redeem, and monitor their SLGS investments over the Internet. The Bureau is planning a rollout for this new initiative during the Fall of 1999.

During the meeting, our users provided feedback on the content and format for the reports generated by the system. All of the attendees were excited about this new system and felt that it would facilitate the use of SLGS for refundings.

Mun-Ease Class In October

We will hold four Mun-Ease classes during 1999. Our first two classes were held in June of this year. In October, we'll hold two more classes. The dates for these classes are*:*

10/18/99-10/20/99 - Chicago
10/20/99-10/22/99 - Chicago) ***(overflow class)***

Classes are held at the GFOA headquarters in Chicago. Class size is limited to 15 students and is conducted by having the student solve real-life problems using Mun-Ease on a computer provided by the GFOA. The classes are 2 1/2 days in length. Be sure to sign up early since we often have turn away students when the classes become full!

Tip #1: Arbitrage Computation Credits and/or Rebate Payments

Section 1.148-3 of the Internal Revenue Code allows the issuer to reduce his rebate payment by the cost of computation of the arbitrage liability. The issuer is allowed a $1,000 credit for each year during which there remains unspent proceeds. The issuer also receives a $1,000 credit on the final computation date.

If you are performing rebate calculations via nonpurpose investments, enter each computation credit as a positive transaction at the end of each bond year. Also enter rebate payments made to the IRS as positive nonpurpose transactions on the date they are made. For users performing rebate calculations via purpose expenditures, enter your computation credits and rebate payments as negative purpose expenditures.

Entry of transactions in the prescribed manner has the affect of reducing your rate of return on your portfolio which in turn reduces your rebate liability.

The 9.65 release has a new feature that can help with the entry of these transactions. This feature allows you to adjust your future-value liability for these transactions without having to worry about them impacting the other arbitrage reports. It requires that you code these transactions with a Fund ID beginning with the '~' character (e. g., '~CC' for computation credits and '~RP' for rebate payment transactions).

Mun-Ease can exclude transactions beginning with the '~' character from the Internal Rate of Return and Unspent Proceeds Reports. The Future Value Report will still reflect these transactions.

Tip #2: Running ReportSmith 3.10 from Mun-Ease

Mun-Ease 9.65 comes with the runtime viewer of ReportSmith. Many users have purchased the complete version of ReportSmith (price $200) from Strategic Reporting Systems so that they can customize the standardized Mun-Ease reports.

If you have purchased the full version of ReportSmith and wish to run it directly from Mun-Ease, you should install both the full-featured version of ReportSmith and the

Runtime Viewer to the directory that you specified during the installation of the runtime viewer from the Mun-Ease CD-ROM (usually **c:\rs_run32**). Note: By default, the ReportSmith CD-ROM installs these programs to subdirectories within the **c:\program files\srs** folder.

After performing the above steps, go to the Downloads page on the Mun-Ease site and download the file Rs310api.exe to the Mun-Ease **rs_run32** directory. Execute this program to unzip the Rs_api.Dll file to the same Mun-Ease **rs_run32** directory. (This last step is necessary because the version of Rs_Api.Dll file included on the ReportSmith CD Rom is not compatible with applications that are were developed with Delphi.)

Version 8.99b (16-bit version)

Note to our 16-bit users:

We've continued to implement many enhancements to Release 9 since it was first issued in October of 1998. To view a list of these enhancements, go to the "What's New" page on our web site.

We've revised all of the reports so that they are legible when they have faxed to another party. Previously, many reports showed totals in a white font on a black background. Users complained that amounts shown in this format were unreadable if someone were reading a faxed copy. We expanded the bond directory window to display the face value of the bond issues.

We added a new radio button to Types of Rebate Transactions group box. We've done this in our continuing effort to make the arbitrage data entry easier.

Version 9.65 (32-bit version)

General Enhancements

We've revised all of the reports so that they are legible when they have faxed to another party. Previously, many reports showed totals in a white font on a black background. Users complained that amounts shown in this format were unreadable if someone were reading a faxed copy.

We expanded the bond directory window to display the face value of the bond issues. We have included an enhanced version of the Borland Database Engine (version 5.10).

We've enhanced the "copy a complete bond issue" and "delete a complete bond issue" menu options. Mun-Ease will now copy gross debt service allocations tied to a bond issue when the copy menu option is issued. Also we delete any gross debt service allocations tied to a bond issue when the delete menu option is chosen.

We fixed a problem where ReportSmith would occasionally generate a "no rows found" error for a report that had just been requested. This message occurred because the database did not release its memory cache before executing ReportSmith. Although rare, this problem occurred most frequently when a user requested a nonpurpose future-value report (report #10).

We eliminated a hole in our security framework that occurred when a user switched between databases where one database was secure and another was not.

Base Module

TIC Calculations - When a user requests a true interest calculation (TIC) from the File | Fixed Rate Bonds | TIC/Bids menu option, Mun-Ease now displays three different TIC's. They are (a) a TIC from the delivery date, (b) an all-inclusive TIC from the delivery date, and (c) a TIC from the dated date. Users have the option of producing a TIC verification report based on one of the three assumptions.

Arbitrage Module

We've also added a new feature that will allow you to enter rebate computation credits and/or rebate payments to the IRS without those transactions affecting reports and/or calculations. This feature requires that you code these transactions with a fund ID starting with the '~' character. The rebate amount calculated in the future-value report will reflect the amounts recorded in these transactions. (See the above discussion under the Tips #1 section for more details.)

We've enhanced the yield-to-call calculation menu option. If Mun-Ease determines that a bond does meet the yield-to-call provisions, it displays a dialog box asking if you Mun-Ease to update the call switches, reoffering yields, and arbitrage yield limit to reflect the yield-to-call assumptions. We've revised the format for the yield-to-call report (#57a).

We have enhanced the fund selection criteria available to you when you perform rebate calculations. You can now perform calculations for all transactions (a) <u>within</u> a user-specified fund, or (b) all transactions <u>except for</u> those within a user-specified fund.

We added a new radio button to Types of Rebate Transactions group box. We've done this in our continuing effort to make the arbitrage data entry easier.

Allocations Module

We've added a new report *The Single Issue, multi-year debt service report (#61)* to this module. This report displays debt service allocated to allocation group over the life of the bond issue. The primary sort is by allocation coding block. You have option of generating totals up through the allocation hierarchy.

Stand-Alone Reporting
We added a new feature to the single-issue millage impact report. The net levy for a given fiscal year can be computed based on current-year debt service or for debt service of the upcoming fiscal year. Prior versions always computed the net levy based on current year debt service.

We enhanced the description for the bond issues on the *Remaining Debt Service by Bond ID* report.