
Mun-Ease News

www.mun-ease.com

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Release 9.85 Ships!

New Release Includes Updated Arbitrage 8038 Tax Forms

We're shipping a new version of Mun-Ease (v. 9.85) to our 9.0 customers with this newsletter. Mun-Ease now generates the latest 8038 tax forms. This release also includes many other enhancements which are described later in this newsletter. We provide this release to our current customers free-of-charge.

New Address For Prescient Software

Effective February 14, 2000, Prescient Software will have a new address. Their new address is 24661 Del Prado, Dana Point, CA, 92629. Their phone number remains the same: voice - (949)248-5788, fax -(949)248-5789. We've included labels with the new address that go on the title page of the user guide.

The 2000 User Group Meeting

The Mun-Ease user group meeting is held every year during the annual GFOA conference. This year, our user group meeting will be held in Chicago. We have tentatively scheduled the meeting at 3:00, Tuesday afternoon, June 13, 2000. Be sure to check the conference schedule for any last minute changes.

During the meeting, we will demonstrate upcoming enhancements and answer questions from our users. The meetings also provide an opportunity for our users to voice their opinions about enhancements that are important to them.

Please forward this newsletter to any other interested Mun-Ease users at your site.

In this release ...

<< release 9.85 features, classes, user group meeting, and factors influencing our development plans.>>

Also if you have time, stop by the software section of the GFOA booth. We'll have support personnel there to answer any questions that you may have.

2000 Mun-Ease Class Schedule to Be Announced In 2nd Quarter

A primary mission of the GFOA is to enhance the professionalism of employees in the public sector. The GFOA takes great pride in the fact that its educational seminars are the primary source of continuing education for the vast majority of accounting and finance professionals in state and local governments.

Our Mun-Ease classes build upon this tradition of excellence. They are challenging, hands-on, and use real-life examples. We constantly improve them to ensure that they are relevant to seminar attendees.

In 2000, we plan to offer four classes in late summer and early fall. Classes will be 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. If you are interested in attending class, periodically check our web site for the latest schedule.

About the New Tax Forms

The new 8038 tax forms are very similar to those used in prior years. All of the forms now require that you provide the name and phone number of a legal representative that the IRS may contact if they have questions. The new 8038 and 8038G forms no longer require that you provide a net interest calculation and information about the final maturity in the bond issue. Additionally, the 8038 form now requires that you provide information if the financing was for an

empowerment zone. Finally, the 8038GC form has been greatly simplified.

In the Near Future

As our customers know, we are always making enhancements to Mun-Ease. Since we released our 9.0 version in the Fall of 1998, we have distributed three interim updates to our customers free-of-charge. There are two external forces that will drive our development effort in the near future. They are (a) faster and more powerful computers and (b) the Internet.

More Powerful Computers...

The fact that most Mun-Ease users use a 233 mhz computer or better with 64 megabytes of memory is significant to us. A minimum configuration with these attributes will allow us to incorporate features and calculations that were almost impossible to imagine a few years ago. It also allows us to place much more emphasis on making the software flexible and easy-to-use.

The Internet...

The Internet also figures prominently in our plans. An upcoming release will allow users to import SLGS rates and current muni yields directly into Mun-Ease from Internet web sites. We're also working on a new module which will allow users to place their database on a web server so that information can be retrieved by others using an Internet browser.

About the 9.85 Release

We've updated Mun-Ease to generate the new arbitrage 8038 tax forms. We also modified the input screens for the 8038 and 8038G forms so that Mun-Ease will automatically calculate the average remaining life of the refunded bonds.

We now allow the user to define which costs are to be included in the regular TIC calculation. Users define this option through the Settings | User Options window. **Background:** There is a current trend among underwriters to exclude credit enhancements from the regular TIC calculation. While we don't necessarily agree with this trend, the user can now replicate his underwriter's calculations with this option.

We've added a new menu option under the Sizing Menu. Users now have the option of sizing a bank note. Among the input options available to the user are the type of interest calculation

(simple interest, U.S. rule, or bond rule) and the payment frequency (monthly, quarterly, semi-annual, or annual). Odd stub and tail periods are also supported as well as balloon payments.

We've modified the debt service schedule report (#24c) to include an additional column that shows outstanding indebtedness. It will also show periodic disbursements of credit enhancements if that input option has been selected.

We've added a new input option to the single-issue millage impact report. You can input a prior-year surplus or deficit and Mun-Ease will decrease the beginning assessed value by this amount.

We've added a new option under the Arbitrage | Yield Tests menu. This option is called the "Recalc YTC Arbitrage Yield." It enables the user to more easily test various call scenarios to determine which scenario has the lowest arbitrage yield when there are yield-to-call maturities within the bond issue.

We've modified the approach that we use to calculate the Arbitrage Yield Limit when there are deep discount term bonds. We also verified with the IRS that our approach is correct.

We've modified all arbitrage reports and data entry screens to display four-digit years.

We now automatically determine whether to calculate the reoffering yield/price to the call date or maturity date based on the lower of the two figures. In prior releases, we required the user to set a maturity's call switch if the yield/price was to be calculated as of the call date. **Background:** The MSRB requires that investors be quoted a yield that is the lower of the yield-to-call or yield-to-maturity.

We've expanded the size of the Fund ID and Group ID fields within the Arbitrage modules. The Fund ID field is now 8 characters long and the Group ID field is 8 digits long. All reports have been modified to accommodate the increased size of these fields. We also modified the Arbitrage outside transactions interface for this change (see below for new format). **Background:** Vendors of portfolio management systems requested this modification so that they could more easily interface their systems to ours.

Addendum - File format for Rebate Interface Files – As of Release 9.85

<u>Length</u>	<u>Cols</u>	<u>Name of field</u>
8	1-8	Issuer code
4	9-12	Dated Year
3	13-15	Bond suffix

1	16-16	Purpose/Nonpurpose; enter N or P
8	17-24	Group Id (numeric)
20	25-44	Description (alphanumeric)
8	45-52	Fund Id (alphanumeric)
12	53-64	Document Number (alphanumeric)
8	65-72	Pool percent (implicit 5 place decimal)
7	73-79	Investment IRR (implicit 5 place decimal)
6	80-85	Date of investment (mmddyy)
14	86-99	Amount (implicit 2 place decimal)
1	100-100	Sign of amount (either + or -)
10	101-110	Account number (numeric)