

Preface

“Built by Bonds” is the industry slogan to convey the importance of municipal securities to nearly every taxpayer in America. By most accounts, the need for infrastructure repair, replacement, and enhancement grows larger every year. Investors are willing to lend money to state and local governments for these and other purposes, but investors seek assurances that they will get repaid on time and at a fair rate of interest until then.

All types of government bodies borrow money, including municipalities, counties, school districts, and various units of state governments. Before incurring debt, however, it is incumbent on elected and professional executives alike to fully understand the requirements imposed by a public borrowing. Taxpayers and the market expect no less. As a result, public officials can no longer totally defer to outside legal or financial advisers.

This manual offers time-tested guidance on issuing and managing state and local government debt. Periodic supplements address the growing needs of public finance professionals and the changing demands of the municipal securities market. A team of experts in state and local finance produce this manual.

For example, John Gunyou provides valuable material on designing the debt instrument and marketing and selling it. John has issued bonds in his roles as the chief financial officer of the City of Minneapolis and the State of Minnesota. Plus, he was Vice Chairman of the Municipal Securities Rulemaking Board and chairman of the debt committee of the Government Finance Officers Association.

Robert Doty clarifies the requirements of market disclosure. His steady-hand guidance comes from serving as a financial adviser, and from earlier experience as an investment banker and bond lawyer. His influence is widely felt throughout the municipal market because he remains the principal drafter of the authoritative *Disclosure Guidelines for State & Local Government Securities*.

Another multitalented contributor is Dr. Michael J. Bell, who provides key material on managing the repayment of debt. First as an investment banker, then as the chief financial officer for the

City of Atlanta, and now in a similar role in DeKalb County, Georgia, Dr. Bell knows firsthand the nuances of issuing and managing municipal bonds.

As needed, additional experts are engaged to cover specialized topics. For example, Dr. John Wong of Wichita State University enhances the discussion of cost-benefit analysis.

W. Bartley Hildreth