

percent of the respondents, with an additional 12 percent of the communities utilizing a partially self-liquidating debt program. The balance of the outstanding debt reported by these communities represents general obligation borrowings.

TABLE 3.—Trend in number of local governments employing service charges by population size group and decade in which service charge was adopted

| Population size group        | Decade    |           |           |           |           |           |           |              | Total |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|-------|
|                              | 1900-1909 | 1910-1919 | 1920-1929 | 1930-1939 | 1940-1949 | 1950-1959 | 1960-1961 | Date unknown |       |
| Under 25,000.....            |           | 1         |           | 3         | 5         | 27        | 4         | 8            | 48    |
| 25,000 to 49,000.....        | 1         | 1         |           | 4         | 4         | 11        |           | 9            | 30    |
| 50,000 to 99,000.....        |           | 1         | 2         | 8         | 10        | 26        | 1         | 7            | 55    |
| Over 100,000.....            |           |           | 1         | 8         | 11        | 22        | 1         | 6            | 49    |
| Undefined <sup>1</sup> ..... |           |           | 1         |           | 3         | 7         |           |              | 11    |
| Total.....                   | 1         | 3         | 4         | 23        | 33        | 93        | 6         | 30           | 193   |

<sup>1</sup> Special districts for which no assignment by population size group could be made.

Source: Extrapolated data from "Sewer Service Charges" by Lennox L. Moak, Municipal Finance Officers Association of the United States and Canada.

## C. TRENDS IN CAPITAL OUTLAY

### 1. ANNUAL OUTLAYS

In the sewer collecting field, statistics on public undertakings have been compiled only since 1951. Unfortunately, no measurement of the amount of private undertaking is available, though it represents a substantial amount of the total new sewer collecting construction. Many local jurisdictions require that when a builder or developer undertakes a subdivision, he must provide the necessary public water and sewer systems to serve the area. Upon completion, these are dedicated to the local government along with other municipal type facilities such as roads and storm sewers. In order to obtain a measurement of the private undertakings, estimates were prepared using the number of housing starts per year, and the experience of the Federal Housing Administration with respect to the number of mortgages for new housing served by public sewer systems.

Since 1951, the amount of public undertakings as measured by contract awards rose from a low in 1952 of \$225 million to a high of \$405 million in 1963. Since 1963 contract awards have decreased slightly to their current (1965) level of \$385 million. During the same period of time (1952-65) estimated private sewer construction (based on housing starts) held fairly steady at about \$150 million annually until 1960 when it started to decrease to its current level of \$130 million.

Combining public and private sewer construction activity by year results in a relatively small increase in the amount of work undertaken annually since 1951. (See table 4.) Comparison of the 1952-56 annual average with the 1961-65 annual average, produces an 11-percent increase between the two time periods. This relatively static situation reflects a combination of many factors, especially the great demands placed upon the limited financial resources of municipalities by other public services, primarily educational or other visible tangible