Because the data presented in this volume are largely calendar-year figures, it became necessary to develop capital outlay figures for calendar years. This is done in table B1 by (*a*) determining the average ratio of construction expenditures to capital outlays for the 2 fiscal years falling in each calendar year, and (*b*) applying the reciprocals of such average calendar-year ratios to the annual construction-put-in-place data. Since these capital outlay figures embrace public housing and urban renewal as well as the various public facility categories, the estimated proportions of capital outlays accounted for by public housing and urban renewal are also shown.

## 2. MUNICIPAL BOND SALES RELATED TO CAPITAL OUTLAYS

During the years 1956–60 the annual long-term municipal bond sales figures published by the Bond Buyer were higher than those published by the Investment Bankers Association. Since then, the Investment Bankers Association annual bond sales figures have been higher. Inasmuch as both series are based entirely on reported information, there is reason to believe that through 1960 the Bond Buyer data were more comprehensive, and since then IBA data have been more comprehensive. Accordingly, columns 1 to 3 of table B2 show gross bond sales, estimated bond refundings, and net bond sales for the years 1956–65 on the basis of the annual bond sales that are the most comprehensive (larger figures).[2]

Municipal bonds sold toward the end of a calendar year frequently are not delivered until sometime in the next year. To adjust for this timelag, the long-term bond sales, net of refundings, are compared to the annual bond delivery figures, compiled by the Investment Bankers Association,[3] and the resultant figures are shown in column 5 as "net long-term bond issues."

Owing to underreporting to both the Bond Buyer and the Investment Bankers Association, the net long-term bond issue figures do not fully reflect the total volume of long-term indebtedness incurred each year by State and local governments. A measure of this underreporting is revealed by column 6 which shows the annual difference between net long-term bond issues and estimated long-term debt issued (col. 7). The latter figures represent the annual averages of the long-term debt issued for the 2 fiscal years falling in the respective calendar year, as compiled by the Bureau of the Census.[4] The annual difference reflects nonreported (to IBA and the Bond Buyer) competitive bond sales, negotiated sales or private placements (for example, to public retirement or trust funds), and Federal Government loans. For the 9-year period 1956–64 these unreported differences accounted for about 11.5 percent of total long-term debt issued.[5]

Table 6 of chapter 1 provides Census Bureau estimates of the long-term debt issued applicable to capital outlays for fiscal years 1958 through 1964–65. These fiscal-year figures were converted into cal-

[2] For purposes of internal consistency, the bond refunding figures shown are derived from the same respective source as the bond sales data. Refunding bonds are necessarily subtracted from gross sales, since such bonds merely replace existing bonds and therefore do not constitute new capital.

[3] Discontinued by IBA beginning in 1966.

[4] Reported on a fiscal-year basis in Government Finances (table entitled "Indebtedness and Debt Transactions of State and Local Governments").

[5] Average of the annual ratios obtained by dividing col. 6 by col. 7.