

ful way on a current basis.”²⁹ Leading examples of sound reporting systems are found in California, New Jersey, and New York. These States not only require local governments to file detailed financial reports on standard forms, but they publish local financial data in detail. In California, for example, annual financial reports for local governments are issued by the State comptroller and contain detailed information on bonded debt, assessed values, capital outlays, and such other fiscal data as an investment analyst might require.

Capital improvements programing.—A capital improvements program constitutes an effective tool for a municipality to employ in financial planning and debt management, and for underwriters, investors, and security analysts to utilize in evaluating anticipated municipal expenditure patterns and fiscal capacity. Assistance in the preparation of capital improvement programs is available to municipalities in several States.³⁰ New Jersey goes so far as to make the adoption of capital improvement programs mandatory. Since June 15, 1964, all municipalities and counties in that State undertaking any capital improvements have been required to adopt and file a 6-year capital budget—capital improvements program—with the State division of local government.

A model form for reporting capital improvement programs has been drawn up by the division for the guidance of local units. Following this form, local officials establish a schedule of capital construction for each of the next 6 years, complete with cost estimates, identification of financing methods, and an analysis of the effect of the program on the credit rating and financial capacity of the unit. Discretion with respect to the procedures to be followed in preparing this program, and to determining project priorities is left to the local government units, but the program must be approved by the governing body. The requirement for capital improvements programs, and division assistance to local units in their preparation, have gone far toward providing information and planning necessary to support the marketing of bond issues.³¹

Training.—Few States have made serious efforts to promote local official training in bond marketing and debt management. State training programs for local government personnel usually have been confined to special functional areas in which the State has a direct financial and administrative interest, such as public health, welfare, and education.³² State sponsored training programs offered through State universities often are of only limited usefulness. Finance officials of small municipalities, concerned primarily with a “how to do it” approach, frequently find that the university, or its extension division, does not offer the desired type of instruction, or that the local government will not, or cannot, finance the cost of instruction. The university sponsored training programs found in North Carolina and Tennessee have been of demonstrated value, however. The Institute of Government at the University of North Carolina provides assistance to local government units in the full range of services, including accounting and finance. In addition to answering inquiries and providing

²⁹ Advisory Commission on Intergovernmental Relations, *supra*, note 5, p. 31.

³⁰ See p. 254 above.

³¹ Data based on interviews with George C. Skillman and William G. Coward of the division of local government, Feb. 5, 1965, and documents supplied by the division.

³² The International City Managers' Association, “Post-Entry Training in the Local Public Service” (Chicago: the International City Managers' Association, 1963), p. 22.