(a) Local.

(1) No change since last report.

(2) All municipalities have prepared budgets and have arranged for the payments of officials, with the exception of the ex-Bikini - Rongerik people who are at the present time exempt from taxation.

(3) During the quarter the monthly field trips were as follows:

April: Three field trips were made, ten atolls were visited, and thirteen islands serviced.

May: Two field trips were made, four atolls were visited, and six islands serviced.

June: Four field trips were made, eleven atolls were visited and eleven islands serviced.

(4) Financial records of all municipalities were audited on each field trip. Much improvement in the keeping of records has been noted during the past quarter. There is now $5,094.54 in safekeeping.

(b) Regional.

A superior court will be appointed when needed.
(c) Development and expansion.

The municipal governments of this district allow no room for expansion of the governmental program, but the municipalities are being developed by training of the officials in the use and meaning of self government.