

Final balance sheets of municipal and provincial governments Year 2014

Istat presents the results of financial flow calculations on the final balance sheets of municipal and provincial governments for fiscal year 2014.

The provisional estimations presented in the following statistical summary are based on information from the data banks of the Ministry of the Interior.

Municipal governments revenue accounts by economic category

The total revenue assessed by municipal governments during fiscal year 2014 was estimated at 83,301 million euros (Table 1). This general total does not include the *revenue of third-party contractors*. The total assessed revenue fell down to 74.2 percent current revenues, 13.2 percent capital revenue and the remaining 12.6 percent for revenue derived from the opening of lines of credit. With reference to the data for 2013, total collections decreased by 1.6 percent and total assessments fell down by 0.8 percent. Collection capacity in 2014, as measured by the ratio between items collected in accrual accounts and items assessments, was equal to 69.2 percent.

A total of 10,982 million euros of capital revenues were assessed, down by 4.6 percent compared to 2013. This figure leads to a strong fall in credit collection, as well as in asset transfers and in transfers. Collections of capital revenues reached 8,617 million euros, falling down compared to 2013. This is mainly due to the reductions recorded in credit collection and in transfers-derived, while asset transfers revenues grew up.

Expenditure accounts by economic category

In 2014 the overall total for expenditure commitments was estimated to be 80,348 million euros (Table 2). Total payments amounted to 76,110 million euros with a spending capacity of 65.2 percent. Relative to 2013, commitments presented a decrease (-2.4 percent), payments fell down by 1.8 percent, with an increased spending capacity (+2.0 percentage points). Current expenditure commitments totaled 55,403 million euros. Spending capacity, therefore, was equal to 72.7 percent, reflecting an increase over the previous year. In comparison to 2013, current commitments presented a decrease by 3.5 percent, while current payments a weak increase (+0.2 percent). Commitments in capital accounts amounted to 13,022 million euros and the spending capacity is 26.6 percent, which is a weak increase compared to the value reported the previous year (+0.2 percentage points). Relative to 2013, commitments fell down by 1.6 percent, payments on capital accounts dropped off by 18.4 percent.

Provincial governments revenue accounts by economic category

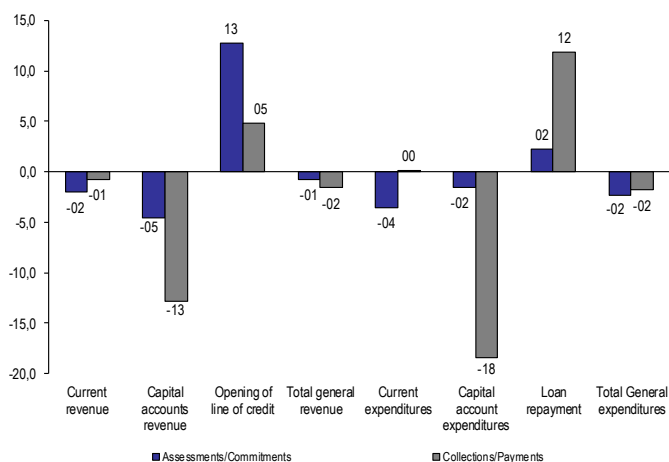
In 2014 total assessments as net of clearing accounts were equal to 9,100 million euros, reflecting a decrease over the previous financial year (Table 3). This figure represents a substantial fall both in current revenue and in capital revenue. Opening of lines of credit grew up. The decrease in current revenue can be attributed to a fall in revenue from contributions and transfers, in non-tributary revenue and in tributary revenue. The assessment of capital revenue fell down, representing the effect of contractions in transfers, in credit collection and in property transfers which appreciably fell down. The impact of current revenue grew up, while a decrease was registered in capital revenue. Revenue from the opening of new lines of credit grew up too.

Total collections dropped off, from 11,343 to 9,617 million euros. Revenue from the opening of new lines of credit registered a decrease, such as capital revenue and current revenue. The results for economic items related to current revenue collection fell down. Contributions and transfers, collections from non-tributary revenue and tributary revenue collections dropped off. Items related to capital account collections presented a decrease. Collection capacity was equal to 72.8 percent.

Expenditure accounts by economic category

Provincial governments adopted a total of 9,598 million euros of expenditure commitments during fiscal year 2014 (-9.8 percent compared with the previous year) (Table 4). Commitments for current expenditures fell down by 5.1 percent, decreasing from 7,529 to 7,144 million euros; commitments for capital expenditures decreased by 31.6 percent. Loan repayment expenditures dropped off (from 1,096 to 1,072 million euros, -2.2 percent). An appreciable decrease was registered for capital commitments by 31.6 percent relative to the previous year. All items dropped off. As regards cash management, the total payments amounted to 10,068 million euros (-12.0 percent). The total for current payments was 7,338 million euros (-3.9 percent), for capital account expenditures was 1,687 million euros (-38.9 percent) and for loan repayment was 1,042 million euros (-0.2 percent). Spending capacity grew by 3.7 percentage points.

TOTAL REVENUE (ASSESSED) AND EXPENDITURE COMMITMENTS (PAID) OF MUNICIPAL GOVERNMENTS. % changes 2014/2013



TOTAL REVENUE (ASSESSED) AND EXPENDITURE COMMITMENTS (PAID) OF PROVINCIAL GOVERNMENTS. % changes 2014/2013

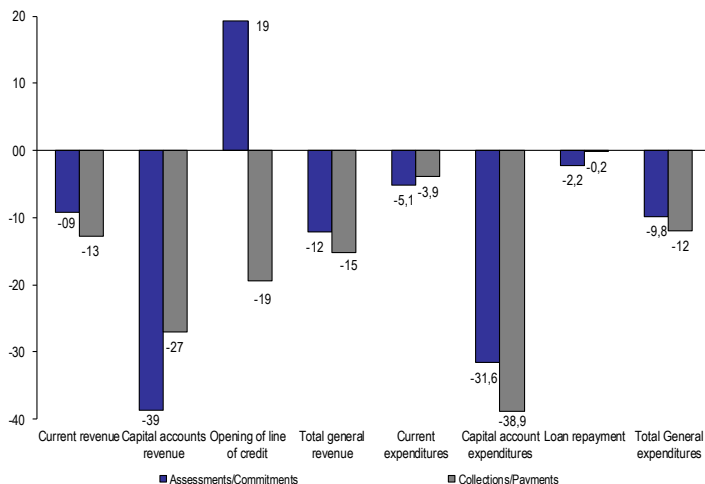


TABLE 1 - ASSESSMENTS, COLLECTIONS (IN MILLIONS OF EUROS) AND COLLECTION CAPACITY (PERCENTAGE) FOR MUNICIPAL GOVERNMENTS BY ITEM - YEARS 2013 AND 2014 *(provisional data; absolute values in millions of euros)*

ITEMS	ASSESSMENTS				COLLECTIONS (a)				COLLECTION CAPACITY (b)	
	2013	2014	var %	comp %	2013	2014	var %	comp %	2013	2014
Current revenue	63,082	61,791	-2.0	74.2	57,965	57,513	-0.8	75.1	69.7	71.0
Tributary revenue	36,620	39,643	8.3	47.6	32,586	37,590	15.4	49.1	71.8	75.3
Revenue from contributions and transfers	13,335	9,866	-26.0	11.9	13,187	9,482	-28.1	12.4	76.9	67.9
Non-tributary revenue	13,127	12,282	-6.4	14.7	12,193	10,441	-14.4	13.6	56.7	59.4
Capital accounts revenue	11,512	10,982	-4.6	13.2	9,893	8,617	-12.9	11.3	48.3	39.8
Asset transfers	1,033	959	-7.2	1.2	974	1,044	7.2	1.4	62.8	77.3
Transfers	9,753	9,447	-3.1	11.3	8,112	7,076	-12.8	9.2	44.0	34.5
Credit collections	726	577	-20.6	0.7	807	497	-38.4	0.7	85.9	63.5
Opening of lines of credit	9,341	10,527	12.7	12.6	9,940	10,416	4.8	13.6	90.0	89.3
TOTAL GENERAL REVENUE	83,935	83,301	-0.8	100.0	77,799	76,546	-1.6	100.0	69.1	69.2

(a) Includes collections in accrual and residual accounts.

(b) The collection capacity is the percentage ratio between the collections in accrual accounts and assessments.

TABLE 2 – COMMITMENTS, PAYMENTS (IN MILLIONS OF EUROS) AND SPENDING CAPACITY (PERCENTAGE) OF MUNICIPAL GOVERNMENTS BY CATEGORY- YEARS 2013 AND 2014 *(provisional data; absolute values in millions of euros)*

ITEMS	COMMITMENTS				PAYMENTS (a)				SPENDING CAPACITY (b)	
	2013	2014	var %	comp %	2013	2014	var %	comp %	2013	2014
Current expenditures	57,430	55,403	-3.5	69.0	55,630	55,715	0.2	73.2	70.9	72.7
Personnel	15,034	14,596	-2.9	18.2	14,808	14,464	-2.3	19.0	91.8	92.7
Purchase of goods and services	30,105	30,103	-	37.5	29,895	30,495	2.0	40.1	63.5	65.3
Transfers	7,552	6,222	-17.6	7.7	6,523	6,310	-3.3	8.3	56.2	58.0
Passive interest and various financial burdens	2,004	1,939	-3.3	2.4	2,028	1,937	-4.5	2.5	98.2	98.4
Other current expenses (c)	2,735	2,543	-7.0	3.2	2,376	2,510	5.6	3.3	58.2	60.9
Capital accounts expenses	13,231	13,022	-1.6	16.2	13,417	10,945	-18.4	14.4	26.4	26.6
Investments in public works	10,733	10,816	0.8	13.5	10,926	8,690	-20.5	11.4	21.8	21.7
Furniture, equipment, etc,	429	393	-8.5	0.5	442	449	1.7	0.6	22.2	28.4
Capital transfers	1,087	874	-19.6	1.1	976	935	-4.2	1.2	27.5	38.5
Investments and Conferments	80	207	159.9	0.3	135	217	60.5	0.3	32.8	79.6
Other capital accounts expenditures	902	732	-18.8	0.8	938	655	-30.3	0.9	80.8	69.9
Loan repayment	11,659	11,924	2.3	14.8	8,451	9,450	11.8	12.4	66.7	72.3
TOTAL GENERAL EXPENDITURES (d)	82,320	80,348	-2.4	100.0	77,498	76,110	-1.8	100.0	63.2	65.2

(a) This item includes fee payments on accrual and residual accounts.

(b) Spending capacity is calculated as the percentage ratio between payments on accrual accounts and commitments.

(c) Includes depreciation.

(d) As a net of clearing accounts.

TABLE 3 - ASSESSMENTS, COLLECTIONS (IN MILLIONS OF EUROS) AND COLLECTION CAPACITY (PERCENTAGE) OF PROVINCIAL GOVERNMENTS BY ITEM. YEARS 2013 AND 2014

ITEMS	ASSESSMENTS				COLLECTIONS (a)				COLLECTION CAPACITY (b)	
	2013	2014	Var. %	Comp. %	2013	2014	Var. %	Comp. %	2013	2014
Current revenue	8,456	7,668	-9.3	84.3	9,019	7,866	-12.8	81.8	74.8	75.5
Tributary revenue	4,766	4,486	-5.9	49.3	4,703	4,310	-8.4	44.8	88.0	85.0
Revenue from contributions and transfers	2,907	2,478	-14.8	27.2	3,600	2,957	-17.9	30.7	55.4	61.8
Non-tributary revenue	784	704	-10.2	7.8	717	600	-16.3	6.3	66.8	63.0
Capital account revenue	1,451	889	-38.7	9.7	1,616	1,180	-27.0	12.3	46.2	48.8
Asset transfers	438	164	-62.6	1.8	482	173	-64.2	1.8	97.6	98.6
Capital account transfers	881	620	-29.6	6.8	964	828	-14.1	8.6	22.6	32.1
Credit collection	133	106	-20.1	1.1	171	180	5.4	1.9	34.1	69.6
Opening of lines of credit	455	543	19.3	6.0	708	571	-19.4	5.9	88.2	75.3
GENERAL REVENUE TOTAL (c)	10,363	9,100	-12.2	100.0	11,343	9,617	-15.2	100.0	71.4	72.8

(a) Includes accrual collections and residual accounts.

(b) Collection capacity is calculated as the percentage ratio between accrual collections and assessments.

(c) As a net of clearing accounts.

TABLE 4 - COMMITMENTS, PAYMENTS (IN MILLIONS OF EUROS) AND SPENDING CAPACITY (PERCENTAGE) OF PROVINCIAL GOVERNMENTS BY TITLE AND CATEGORY. YEARS 2013 AND 2014

ITEMS	COMMITMENTS				PAYMENTS (a)				SPENDING CAPACITY (b)	
	2013	2014	Var. %	Comp. %	2013	2014	Var. %	Comp. %	2013	2014
Current expenditures	7,529	7,144	-5.1	74.4	7,632	7,338	-3.9	72.9	68.2	70.3
Personnel	2,054	1,961	-4.5	20.4	2,047	1,960	-4.2	19.5	91.4	92.9
Purchase of goods and services	3,374	2,995	-11.2	31.2	3,594	3,193	-11.1	31.7	64.5	67.7
Current transfers	1,227	1,316	7.2	13.7	1,236	1,361	10.2	13.5	35.2	41.9
Passive interest	391	350	-10.6	3.6	385	363	-5.8	3.6	96.0	98.7
Other current expenses	483	522	8.1	5.5	371	461	24.4	4.6	55.5	52.7
Capital account expenditures	2,020	1,382	-31.6	14.4	2,762	1,687	-38.9	16.8	31.1	33.7
Investments in public works	1,313	1,047	-20.3	10.9	1,746	1,245	-28.7	12.4	12.6	25.7
Movable property, equipment, etc.	41	30	-28.2	0.3	54	34	-36.9	0.3	28.5	26.1
Capital transfers	252	187	-25.5	2.0	532	256	-51.8	2.5	27.1	38.1
Participations and conferments	269	15	-94.5	0.1	305	17	-94.3	0.3	98.5	99.8
Granting of credits and advances	145	103	-28.9	1.1	125	134	7.3	1.3	81.8	99.4
Loan repayment	1,096	1,072	-2.2	11.2	1,045	1,042	-0.2	10.3	89.0	88.0
GENERAL EXPENDITURES TOTAL (c)	10,645	9,598	-9.8	100.0	11,439	10,068	-12.0	100.0	63.3	67.0

(a) Includes accrual payments and residual accounts.

(b) Spending capacity is calculated as the percentage ratio between accrual payments and commitments.

(c) As a net of clearing accounts.

Informative note

The data source for this statistical summary is the certified balance sheet that all municipal and provincial governments are required to publish on an annual basis to certify their primary accounting data for the previous fiscal year. The certification of municipal and provincial balance sheets, the structure of which is defined in *Presidential Decree no.194 of 31.01.1996*, details the financial flows of salaries and cash flow for the main economic categories and revenue and expenditure items.

For fiscal year 2014, data for these provisional estimations were available for 7,768 municipal governments. Value estimations for the universe of municipalities were based on resident populations as of 31.12.2014 using coefficients of expansion for each resident population class of each region (Table 13). The provincial governments data published in this note are provisional estimations from calculations on the balance sheet certificates of 107 bodies, which represent this study's universe of observation. The governments of the autonomous provinces of Trento and Bolzano-Bozen were excluded here because their financial flows were already incorporated in the summary of regional and Autonomous province final balance sheets. In Valle d'Aosta-Vallée d'Aoste, the regional government has the jurisdiction for functions that are assumed by provincial governments elsewhere.

TABLE 13 – MUNICIPAL GOVERNMENTS AND THE DEGREE OF DATA COLLECTION COVERAGE FOR FINAL MUNICIPAL BALANCE SHEETS -YEAR 2014

REGIONS	Total no. of municipalities (A)	No. of municipal respondents (B)	Degree of municipal coverage C=(B/A*100)	Total Population (D)	Population of municipal respondents (E)	Degree of population coverage F=(E/D*100)
Piemonte	1,206	1,178	97.7	4.424.467	4.401.571	99.5
Valle d'Aosta-Vallée d'Aoste	74	74	100.0	128.298	128.298	100.0
Liguria	235	223	94.9	1.583.263	1.556.284	98.3
Lombardia	1,531	1,506	98.4	10.002.615	9.945.356	99.4
Trentino-Alto Adige/Südtirol	333	304	91.3	1.055.934	1.007.815	95.4
Veneto	579	566	97.8	4.927.596	4.880.965	99.1
Friuli-Venezia Giulia	217	209	96.3	1.227.122	1.210.228	98.6
Emilia-Romagna	348	339	99.7	4.450.508	4.444.008	99.9
Toscana	280	275	98.2	3.752.654	3.666.110	97.7
Umbria	92	92	100.0	894.762	894.762	100.0
Marche	236	234	99.2	1.550.796	1.541.134	99.4
Lazio	378	360	95.2	5.892.425	5.764.281	97.8
Abruzzo	305	290	95.1	1.331.574	1.249.644	93.9
Molise	136	131	96.3	313.348	307.197	98.0
Campania	550	531	96.5	5.861.529	5.716.230	97.5
Puglia	258	247	95.7	4.090.105	4.028.030	98.5
Basilicata	131	129	98.5	576.619	505.431	87.7
Calabria	409	395	96.6	1.976.631	1.898.285	96.0
Sicilia	390	337	86.4	5.092.080	4.496.628	88.3
Sardegna	377	348	92.3	1.663.286	1.620.270	97.4
ITALY	8,057	7,768	96.4	60.795.612	59.262.527	97.5

For more details please refer to the Italian version

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