

19 – FINANCIAL MANAGEMENT OF SICILIAN MUNICIPALITIES

This chapter provides a synthetic overview of financial management of Sicilian municipalities in the three-year period 2007-2009. The aim is to describe the financial situation of local enterprises in the period immediately before the profound changes taking place in the organization of local public finance over the last few years. These changes were rather ambivalent. On the one hand, there was the normative think-tank on fiscal federalism (via law no.42, 2009, and the subsequent legislative decree no.23, 2011) regarding *municipal federalism*, whose aim was to increase the municipalities' financial autonomy via the reinforcement of their own tax revenue, and on the other hand the numerous corrective manoeuvres with regard to public finance; in fact these limited the municipalities' financial autonomy, imposing countless constraints deriving from the internal stability pact and other restrictive measures.

In this scenario the situation regarding the Sicilian municipalities is rather particular, since they cannot increase their own autonomy using the instruments laid down by the legislative decree regarding municipal federalism, given that this decree envisages no direct application in Regions with a Special Statute¹; however, at the same time, like all other Italian municipalities, they have been subjected to containing measures on public expenditure.

This chapter therefore enables one to grasp the initial financial situation that Sicilian municipalities faced in this new context of economic crisis and restrictions on local public finance; because of this reduced availability, local Municipalities have been forced to opt for curtailed services and/or greater efficiency in administrative organization.

The analysis carried out is based on observing the value of eight financial indicators, calculated using the data-base of final-balance certificates from the Ministry of the Interior: *financial pressure, tax pressure, revenue interventions, Regional interventions, speed in collecting one's own revenue, speed in managing current expenditure, financial autonomy, taxation autonomy*.

¹ In fact, the modality and the times of application of the afore-mentioned legislative decree will have to be individuated at the head office of the Joint State-Region Committee.

All these eight financial indicators taken together consent an assessment of the financial management of each public Municipality, though with variations in trend and significance. In fact, two of the indicators considered, *revenue intervention* and *Regional intervention*, do not depend directly on the management capacity of the Municipality, seeing that the entity of the current transfers is determined by the over-riding levels of government. On the other hand the *financial autonomy* indicator has a very important distinguishing value, given that it expresses the capacity of a Municipality or corporation to finance current expenditure with its own revenue within the framework of fiscal federalism. Analogous importance can be attributed to the indicator for *speed in collecting one's own revenue*, since this expresses the corporation's capacity to obtain the afore-mentioned revenue in such a way as to avoid crises of cash-flow that might then bring about situations of financial difficulty.

For each of the eight financial indicators the average value over the three-year period 2007-2009 was calculated. Moreover, bearing in mind the organization of the 390 Sicilian municipalities by demographic level, these were grouped into 6 classes: from 0 to 5,000 inhabitants (199 municipalities), from 5,000 to 10,000 inhabitants (83), from 10,000 to 30,000 inhabitants (77), from 30,000 to 50,000 inhabitants (16), from 50,000 to 100,000 inhabitants (11), over 100,000 inhabitants (4). An analysis of these eight indicators consents an examination of the financial management of each Municipality, considering its positioning in relation to the Provincial, Regional and national averages of municipalities belonging in the same demographic class; in this way the municipalities prove to be easier to compare in homogeneous fashion.

An initial analysis, comparing Regional data to national data (Tab.19.1, 19.2 and 19.3), shows that Sicilian municipalities, in every demographic grouping, present a higher value than the indices for *revenue intervention* (the only exception being municipalities in the 50,000-100,000 inhabitant demographic grouping) and *Regional intervention* when compared to the Italian average, showing greater dependence on state and Regional finance. This gap with regard to the *revenue intervention* index reaches its highest value in the demographic grouping of municipalities with fewer than 5,000 inhabitants (+81 Euros) and the lowest value in municipalities with from 50,000 to 100,000 inhabitants, where the gap becomes negative (-23 Euros); on the other hand, with regard to the *Regional intervention* the highest value is to be found in municipalities of the smallest demographic grouping (+248 Euros) and the lowest value in metropolitan municipalities with over 100,000 inhabitants (+68 Euros). The greater incidence of *Regional transfers* depends on the special

status of autonomy of the Regione Siciliana, which has over the years played an increasingly active role in the financing of its own local municipalities. However this has not substituted the *revenue intervention*, which in Sicilian municipalities has attained a greater per capita value than the rest of the country.

Table 19. 1 - Financial indicators for Sicilian Municipalities (averages 2007-2009)

MUNICIPALITY	Financial pressure	Taxation pressure	Revenue intervention	Regional intervention	Speed in collecting own revenue	Speed in management of current expenditure	Financial autonomy	Taxation autonomy
UP TO 5,000 INHABITANTS								
Municipalities Prov. of AGRIGENTO	240,4	141,6	335,3	276,6	40,5	80,6	23,4	13,8
Municipalities Prv. of CALTANISSETTA	155,0	93,3	299,0	240,5	71,2	81,3	17,3	10,4
Municipalities Prov. of CATANIA	266,4	152,2	269,6	305,5	48,1	79,2	28,2	16,1
Municipalities Prov. of ENNA	163,8	78,4	299,5	371,5	77,0	77,3	18,0	8,6
Municipalities Prov. of MESSINA	314,3	171,7	286,3	403,3	46,7	80,7	27,8	15,2
Municipalities Prov. of PALERMO	329,1	212,0	285,4	308,7	43,6	79,1	29,8	19,2
Municipalities Prov. of RAGUSA	366,6	231,8	330,0	385,1	52,1	82,9	31,7	20,0
Municipalities Prov. of SIRACUSA	333,5	213,7	287,1	308,8	44,7	79,7	30,1	19,3
Municipalities Prov. of TRAPANI	386,4	256,6	329,0	386,5	55,2	78,3	32,0	21,2
SICILY – average class value	297,4	174,7	299,0	347,6	47,2	79,9	27,3	16,0
ITALY - average class value	525,6	319,6	218,5	100,1	62,9	76,9	59,3	36,1
FROM 5,000 TO 10,000 INHABITANTS								
Municipalities Prov. of AGRIGENTO	247,6	176,1	288,9	240,8	40,6	76,2	27,9	19,8
Municipalities Prv. of CALTANISSETTA	238,3	164,1	266,7	205,0	39,9	77,5	29,4	20,2
Municipalities Prov. of CATANIA	330,6	236,1	225,5	146,9	46,4	73,4	41,4	29,5
Municipalities Prov. of ENNA	166,5	94,8	264,9	262,7	54,3	75,7	22,4	12,7
Municipalities Prov. of MESSINA	324,6	203,8	174,6	201,0	46,9	77,8	42,6	26,7
Municipalities Prov. of PALERMO	319,3	225,7	206,9	264,3	47,1	74,2	38,4	27,1
Municipalities Prov. of RAGUSA	318,6	230,8	190,0	262,2	49,8	74,7	40,4	29,2
Municipalities Prov. of SIRACUSA	312,9	220,0	191,8	255,0	49,7	75,5	40,0	28,1
Municipalities Prov. of TRAPANI	320,0	221,3	198,4	256,8	49,7	75,9	39,3	27,2
SICILY - average class value	301,7	206,3	221,9	228,9	47,0	75,4	36,8	25,2
ITALY - average class value	488,8	320,9	168,5	61,0	67,7	75,4	65,5	43,0

Source: Ministry for the Interior data-processing

There is lesser financial and taxation autonomy, owing to the greater dependence on current state and Regional transfers, on the part of local Sicilian Municipalities in relation to the average Italian municipality; this can be observed in all the demographic groupings. With regard to *financial autonomy* the largest negative gap is to be found in municipalities of smaller demographic groupings (-32%) and the smallest gap in municipalities of larger demographic groupings (-16%); with regard to *taxation autonomy* the largest gap is again to be found in the smaller municipalities (-20%) and the smallest gap in municipalities with over 100,000 inhabitants, where the gap in fact actually

becomes positive (+3%). Moreover, an analogous negative gap is to be seen in *taxation and financial pressure* and in *speed in collecting one's own revenue*, whilst the Sicilian municipalities in lower demographic classes present an index value for *management of current expenditure* that is higher or in line with the national average.

Generally speaking, the municipalities in the Provinces of Trapani, Siracusa and Ragusa, on average, present a better financial performance, whilst municipalities in the Provinces of Agrigento, Caltanissetta, Messina and Palermo, on average, present a worse financial performance.

Table 19. 2 - Financial indicators for Sicilian Municipalities (averages 2007-2009)

MUNICIPALITY	Financial pressure	Taxation pressure	Revenue intervention	Regional intervention	Speed in collecting own revenue	Speed in management of current expenditure	Financial autonomy	Taxation autonomy
FROM 10,000 TO 30,000 INHABITANTS								
Municipalities Prov. of AGRIGENTO	263,5	186,3	249,5	173,9	44,5	78,0	36,9	26,1
Municipalities Prov. of CALTANISSETTA	216,7	159,7	236,1	170,0	49,2	78,2	33,5	24,7
Municipalities Prov. of CATANIA	310,4	228,4	208,8	131,3	48,9	70,9	43,5	32,0
Municipalities Prov. of ENNA	256,9	175,8	243,7	186,0	55,9	72,7	35,1	24,0
Municipalities Prov. of MESSINA	330,2	211,8	232,8	220,8	55,1	72,9	39,7	25,4
Municipalities Prov. of PALERMO	476,9	373,7	188,5	199,4	50,5	67,0	52,9	41,5
Municipalities Prov. of RAGUSA	461,4	332,0	197,4	195,5	47,2	68,5	52,1	37,5
Municipalities Prov. of SIRACUSA	416,3	321,2	270,0	156,7	48,6	71,9	48,1	37,1
Municipalities Prov. of TRAPANI	242,3	192,2	189,6	137,6	60,1	78,5	40,7	32,3
SICILY - average class value	338,7	242,1	228,0	182,0	50,6	72,2	43,1	30,8
ITALY - average class value	503,0	337,7	192,5	59,4	68,1	74,6	64,1	43,0
FROM 30,000 TO 50,000 INHABITANTS								
Municipalities Prov. of AGRIGENTO	330,3	236,3	223,4	180,9	50,6	72,4	43,1	30,8
Municipalities Prov. of CALTANISSETTA	-	-	-	-	-	-	-	-
Municipalities Prov. of CATANIA	323,0	231,3	223,9	178,1	50,9	72,3	42,7	30,6
Municipalities Prov. of ENNA	-	-	-	-	-	-	-	-
Municipalities Prov. of MESSINA	319,6	228,1	225,7	175,2	51,2	72,1	42,4	30,3
Municipalities Prov. of PALERMO	322,3	230,0	224,3	176,4	50,8	72,0	42,6	30,4
Municipalities Prov. of RAGUSA	-	-	-	-	-	-	-	-
Municipalities Prov. of SIRACUSA	322,8	230,4	224,3	175,2	50,7	72,0	42,7	30,5
Municipalities Prov. of TRAPANI	323,2	230,7	224,0	175,3	50,7	72,0	42,7	30,5
SICILY - average class value	323,1	230,7	224,3	175,8	50,7	72,1	42,7	30,5
ITALY - average class value	487,6	337,0	194,2	70,0	65,1	72,7	62,4	43,1

Source: Ministry for the Interior data-processing

A second analysis, which compares the average figures of the various Sicilian Provinces by demographic grouping (Tables 19.1, 19.2 and 19.3), shows that in the grouping of up to 5,000 inhabitants the highest position is that of municipalities in the Province of Ragusa, which present a higher average value for all eight indicators than the Regional average; these are followed by

the municipalities in the Province of Trapani, which present a single indicator (the one regarding speed of management of current expenditure) lower than the Regional average. On the contrary the worst placement is that of municipalities in the Province of Agrigento, where only the average values of revenue intervention and speed of management of current expenditure are better than the national average.

In the demographic grouping of 5,000 to 10,000 inhabitants, the best placing is that of municipalities in the Provinces of Trapani and Siracusa, all of whose indicators are above the Regional average, with the exception of revenue intervention. On the other hand the worst placing is that of municipalities in the Province of Caltanissetta, where only the value for revenue intervention is higher than the Regional average, and the municipalities in the Province of Agrigento where only the values for Regional intervention and speed of management of current expenditure are higher than the Regional average.

In the demographic grouping of municipalities of 10,000 to 30,000 inhabitants the best placement is that of the municipalities in the Provinces of Palermo and Ragusa, which have only three indicators lower than the Regional average, those of revenue intervention, speed in collecting one's own revenue and management of current expenditure. The municipalities in the Provinces of Agrigento and Caltanissetta have the worst placing; the only values above the Regional average are those of revenue intervention and speed of management of current expenditure.

In the demographic grouping of municipalities with 30,000 to 50,000 inhabitants, the best position is occupied by municipalities in the Province of Siracusa, which has recorded only two indicators that are slightly lower than the Regional average, i.e. taxation pressure and speed of management of current expenditure. The worst placing is that of the municipalities in the Provinces of Messina and Palermo, which share the distinction of having higher values than the Regional average for revenue intervention and speed in collecting one's own revenue.

In the demographic grouping of municipalities with 50,000 to 100,000 inhabitants it is difficult to single out a best placing in absolute terms since five of the six Provinces in question have a value that is higher than the Regional average for five different financial indicators; only the municipalities in the Province of Palermo present a value for four indicators below the Regional average (revenue intervention, Regional intervention, speed in collecting one's own revenue and speed of management of current expenditure).

Finally, in the demographic grouping of over 100,000 inhabitants the best placement with two indicators lower than the Regional average is that of the Municipalities of Siracusa (revenue intervention and speed in collecting one's own revenue) whilst the worst position is occupied by the Municipalities of Messina, which presents only two indicators above the Regional average in this class (speed in collecting one's own revenue and speed of management of current expenditure).

Table 19. 3 - Financial indicators for Sicilian Municipalities (averages 2007-2009)

MUNICIPALITY	Financial pressure	Taxation pressure	Revenue intervention	Regional intervention	Speed in collecting own revenue	Speed in management of current expenditure	Financial autonomy	Taxation autonomy
FROM 50,000 TO 100,000 INHABITANTS								
Municipalities Prov. of AGRIGENTO	348,6	243,5	293,5	223,5	56,2	69,9	39,9	27,9
Municipalities Prov. of CALTANISSETTA	323,0	230,7	224,6	175,2	50,8	72,0	42,7	30,5
Municipalities Prov. of CATANIA	340,5	280,8	244,8	281,2	61,2	64,1	38,3	31,6
Municipalities Prov. of ENNA	-	-	-	-	-	-	-	-
Municipalities Prov. of MESSINA	-	-	-	-	-	-	-	-
Municipalities Prov. of PALERMO	354,6	289,5	190,0	144,5	37,8	61,7	51,5	42,0
Municipalities Prov. of RAGUSA	323,7	231,2	224,5	175,4	50,7	72,0	42,8	30,5
Municipalities Prov. of SIRACUSA	-	-	-	-	-	-	-	-
Municipalities Prov. of TRAPANI	325,0	231,6	224,7	175,2	50,6	71,9	42,9	30,6
SICILY - average class value	324,3	231,5	225,0	174,9	50,7	72,0	42,8	30,5
ITALY - average class value	554,4	366,3	248,1	77,5	62,9	71,9	60,0	39,6
OVER 100,000 INHABITANTS								
Catania	699,6	542,4	553,3	180,8	40,7	56,7	48,7	37,8
Messina	351,2	283,1	474,4	112,5	53,0	76,5	37,3	30,0
Palermo	459,5	366,1	559,1	228,6	51,5	66,4	36,8	29,3
Siracusa	534,7	436,7	281,3	206,2	36,9	74,1	52,3	42,7
SICILY - average class value	501,1	397,4	517,3	194,4	46,8	66,1	41,3	32,7
ITALY - average class value	796,6	415,7	446,1	126,6	58,5	66,3	57,1	29,8

Source: Ministry for the Interior data-processing

Along with this above-mentioned analysis (referring to the 8 financial indicators) a more selective analysis was carried out explaining the indices for *financial autonomy* and *speed in collecting one's own revenue*, as the most suitable measures to express the administrative capacity of each Municipality in managing its resources.

On the basis of a couple of values relating to these indices, a "standardized synthetic index" was created, for each Municipality, from the sum dispersions

of the values in question when compared to the average in the class². This process was in fact preferable to an indicator created from the simple sum total of the two financial indicators chosen, which would be influenced to a greater extent by the higher values of speed in collecting one's own revenue, rather than those of financial autonomy, thus giving lesser weight to this second measure in the synthetic index.

Once the standardized synthetic index had been put together the Municipalities from every demographic grouping were ranked in descending order. Subsequently, for each demographic grouping, a system of Cartesian axes was set up, with co-ordinates supplying the position of each Municipality with regard to speed in collecting one's own revenue (abscissa axis) and financial autonomy (ordinate axis).

This representation concerns the first three demographic levels, which are also the most numerous, (up to 5.000 inhab., from 5,000 to 10,000 inhab., from 10,000 to 30,000 inhab.), the 10 highest-ranking Municipalities and the 10 lowest-ranking with reference to the standardized index (Table 19.4, 19.5, 19.6). For the other demographic groupings (from 30,000 to 50.000 inhab., from 50,000 to 100,000 inhab., over 100,000 inhab.), which include fewer than twenty Municipalities, the graphic representation included all the Municipalities (Table 19.7, 19.8, 19.9).

In the first three graphs (Figures 19.1, 19.2, 19.3) there appears to be, generally speaking, a pronounced polarization of the Municipalities: the first 10 with the best manoeuvrable financial performance and the last ten with the worst. In general the data regarding the collecting of revenue presents greater variability when compared to that of financial autonomy, and for this reason the

² The standardized synthetic indicator is given by the following formula:

$[\mathbf{VRcomune} - \mathbf{E}(\mathbf{VR})] / \mathbf{Dev.St.}(\mathbf{VR}) + [\mathbf{AFcomune} - \mathbf{E}(\mathbf{AF})] / \mathbf{Dev.St.}(\mathbf{AF})$, where

VRcomune = Velocità di riscossione delle entrate proprie del comune (i.e. Municipality's speed in collecting its own revenue), **E(VR)** = Media della velocità di riscossione delle entrate proprie (i.e. average speed in collecting its own revenue), **Dev.St.(VR)** = Deviazione standard della serie della velocità di riscossione delle entrate proprie dei comuni appartenenti alla stessa classe demografica (i.e. Standard deviation in the series of speed in collecting their own revenue of Municipalities belonging to the same demographic class), **Afcomune** = Autonomia finanziaria del Comune (i.e. Financial autonomy of Municipalities), **E(AF)** = Media dell'autonomia finanziaria dei comuni appartenenti alla stessa classe demografica (i.e. average financial autonomy of Municipalities belonging to the same demographic class), **Dev.St.(AF)** = Deviazione standard della serie dell'autonomia finanziaria dei comuni appartenenti alla stessa classe demografica (i.e. Standard deviation in the series of financial autonomy of Municipalities belonging to the same demographic class).

cloud of dots appears more extensive horizontally and closer to the abscissa axis.

This is due to the fact that the first indicator depends to a greater extent on the administrative capacities of the local Municipality, while the second indicator presents a greater relative rigidity as a result of the restrictions on national public finance and the number of taxable bases correlated with the degree of economic development of the Region in question. All this is confirmed by the fact that, among the Municipalities with the best performance, those with greatest financial autonomy are medium-small Municipalities such as San Vito Lo Capo, Letojanni, Trappeto, Campofelice di Roccella, Isola delle Femmine, Giardini-Naxos, Taormina, etc., where the tourist flux determines a broader categorical base.

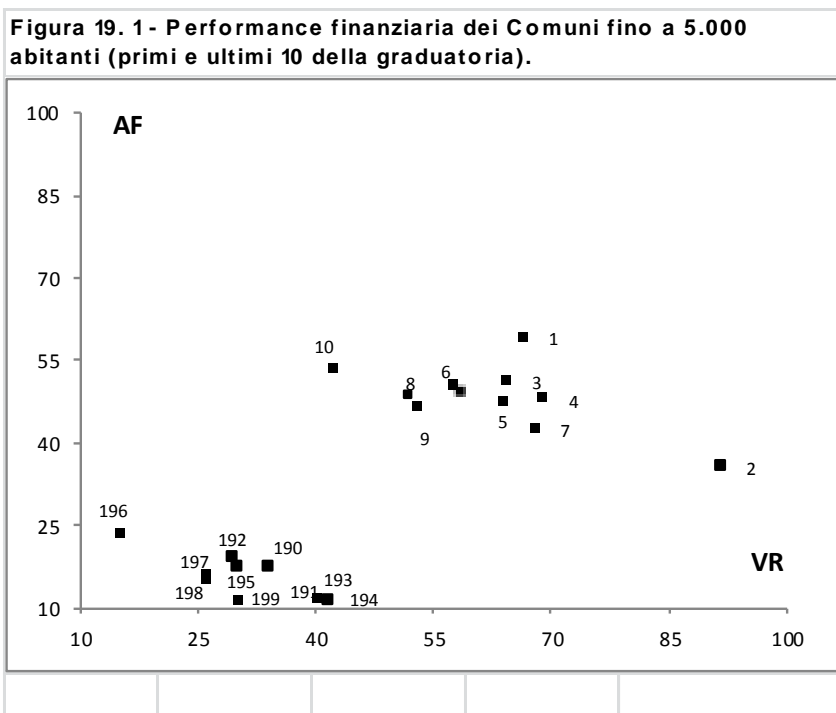
In Figure 19. 1 the cloud representing the 10 best Municipalities seems to be spread out more extensively, whereas the worst Municipalities are more closely grouped together, often presenting values that differ by a few decimals.

Tavola 19. 4 - Performance finanziaria dei Comuni fino a 5.000 abitanti (primi e ultimi 10 della graduatoria).					
N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	San Vito Lo Capo	TP	66,3	59,3	4,70
2	Gagliano Castelferrato	EN	91,5	35,8	3,99
3	Letojanni	ME	64,2	51,3	3,74
4	Lascari	PA	69,0	48,0	3,72
5	Santa Cristina Gela	PA	63,8	47,4	3,30
6	Ustica	PA	57,8	50,2	3,19
7	Furnari	ME	67,9	42,7	3,09
8	Roccalumera	ME	51,6	49,0	2,64
9	Sant'Angelo Muxaro	AG	53,1	46,4	2,48
10	Trappeto	PA	42,4	53,3	2,46
10	Alimena	PA	34,0	17,5	-1,75
11	Roccafiorita	ME	41,4	11,7	-1,78
12	Cassaro	SR	29,2	19,5	-1,84
13	Frazzanò	ME	43,4	9,9	-1,85
14	Godrano	PA	40,2	11,4	-1,92
15	Campofiorito	PA	30,0	17,8	-1,96
16	Raddusa	CT	15,1	23,5	-1,98
17	Villafranca Sicula	AG	26,1	15,7	-2,27
18	Alessandria della Rocca	AG	26,1	15,1	-2,41
19	Gallo doro	ME	30,3	11,0	-2,55

Source: Ministry for the Interior data-processing

Among the 10 best Municipalities Gagliano Castelferrato stands out alone; when compared to the other 9 Municipalities, its speed in collecting its own revenue is much higher and its financial autonomy relatively lower; the

Municipalities of San Vito Lo Capo and Trappeto are positioned above the cloud of dots, first and last in the group respectively. Among the 10 worst Municipalities the solitary position of Raddusa is quite clear, because of a lower speed in collecting its revenue and greater financial autonomy compared to the other 9 Municipalities.



Source: Ministry for the Interior data-processing

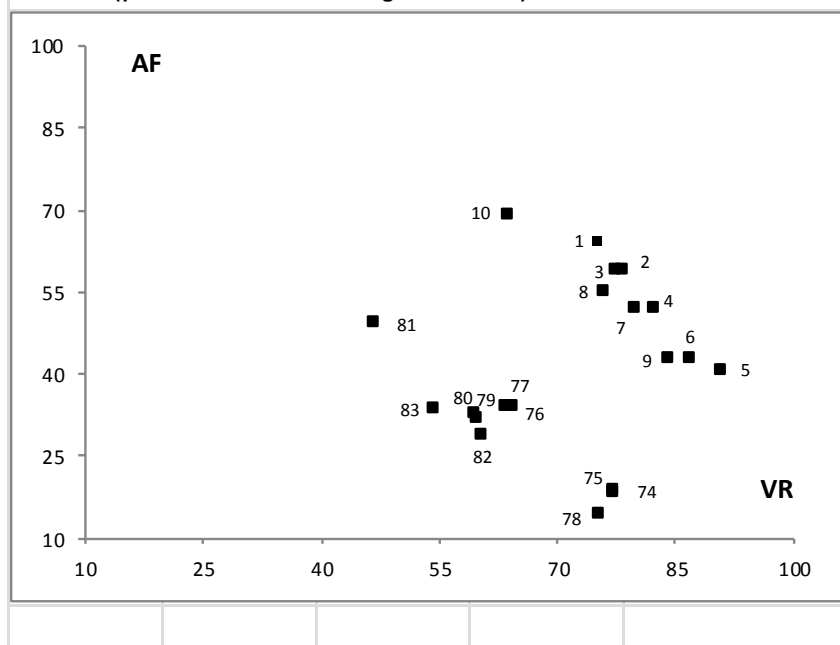
In Figure 19. 2 the two clouds of dots appear to be drawn towards the right because of the similar values between the best and worst Municipalities in the speed of collecting revenue.

Among those with the best performance the position of the Municipality of Isola delle Femmine stands out because of its lower speed in collecting revenue and its greater financial autonomy. The 10 municipalities with the worst financial performance are less densely packed together than in the previous graph and appear to form two sub-groups; the one towards the right has greater speed in collecting revenue and lesser financial autonomy and the one towards the left has lesser speed in collecting revenue and greater financial autonomy. The Municipality of Casteldaccia emerges in a solitary position with very similar values for the two indicators.

Tavola 19. 5 - Performance finanziaria dei Comuni da 5.000 e 10.000 abitanti (primi e ultimi 10 della graduatoria).

N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	Campofelice di Roccella	PA	75,0	64,2	2,38
2	Giardini-Naxos	ME	78,1	59,3	2,31
3	Altavilla Milicia	PA	77,3	59,2	2,21
4	Viagrande	CT	82,1	52,5	2,19
5	Brolo	ME	90,6	40,8	2,16
6	Santa Flavia	PA	86,6	43,2	1,89
7	San Filippo del Mela	ME	79,8	52,1	1,87
8	Santa Teresa di Riva	ME	75,9	55,6	1,71
9	Petrosino	TP	84,0	42,9	1,55
10	Isola delle Femmine	PA	63,5	69,4	1,47
74	Villarosa	EN	76,8	19,0	-1,47
75	Valquarnera Caropepe	EN	76,9	18,7	-1,49
76	Santa Venerina	CT	64,2	34,5	-1,60
77	Marineo	PA	63,4	34,4	-1,71
78	Aqira	EN	75,0	14,6	-2,10
79	Linguaglossa	CT	59,3	32,9	-2,34
80	Caccamo	PA	59,7	32,3	-2,34
81	Casteldaccia	PA	46,4	49,6	-2,39
82	Aidone	EN	60,3	29,1	-2,56
83	Lampedusa e Linosa	AG	54,0	33,8	-2,90

Figura 19. 2 - Performance finanziaria dei Comuni da 5.000 a 10.000 abitanti (primi e ultimi 10 della graduatoria).



Source: Ministry for the Interior data-processing

In Figure 19. 3 the dots in the two clouds are more widely scattered than in the previous graphs. The cloud of Municipalities with the best financial performance appears to be arranged in two sub-groups; the one towards the right is more numerous, with a higher speed in collecting revenue and lesser financial autonomy, and the one towards the left has only two Municipalities with a lower speed in collecting revenue and greater financial autonomy.

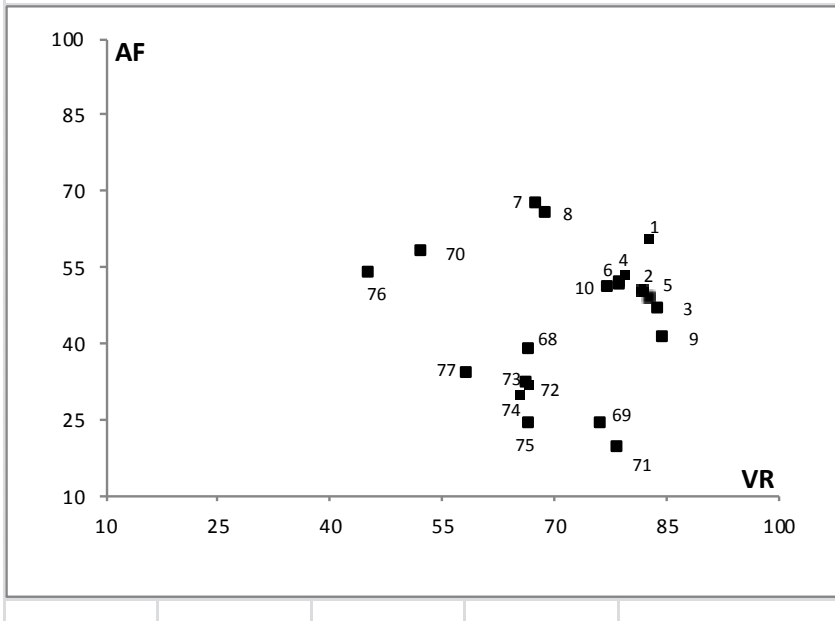
Tavola 19. 6 - Performance finanziaria dei Comuni da 10.000 a 30.000 abitanti (primi e ultimi 10 della graduatoria).

N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	Priolo Gargallo	SR	82,8	60,2	2,87
2	Motta Sant'Anastasia	CT	82,0	50,1	1,88
3	Menfi	AG	83,8	47,2	1,85
4	Campobello di Mazara	TP	79,5	53,2	1,82
5	Noto	SR	78,6	52,0	1,60
6	Valderice	TP	78,7	51,7	1,58
7	Carini	PA	67,5	67,7	1,54
8	Taormina	ME	68,6	65,8	1,53
9	Carlentini	SR	84,6	41,4	1,44
10	Cinisi	PA	77,0	51,3	1,33
68	Tremestieri Etneo	CT	66,6	38,9	-1,15
69	Leonforte	EN	76,1	24,6	-1,18
70	Capaci	PA	52,1	58,1	-1,33
71	Piazza Armerina	EN	78,2	19,5	-1,35
72	Corleone	PA	66,8	31,4	-1,79
73	Ramacca	CT	66,2	32,2	-1,80
74	Gravina di Catania	CT	65,5	29,8	-2,10
75	Enna	EN	66,6	24,3	-2,45
76	Cefalù	PA	45,1	54,3	-2,60
77	Belmonte Mezzagno	PA	58,1	34,4	-2,66

Source: Ministry for the Interior data-processing

The Municipalities with the worst financial performance appear to be arranged in three sub-groups: in the first group we find the Municipalities of Capaci and Cefalù, with similar values, which are higher than the two financial indicators; in the third group we find the Municipalities of Piazza Armerina and Leonforte with higher values for speed of collecting revenue and lower values for financial autonomy; in the second group the other Municipalities are placed in an intermediate position.

Figura 19.3 - Performance finanziaria dei Comuni da 10.000 a 30.000 abitanti (primi e ultimi 10 della graduatoria).



Source: Ministry for the Interior data-processing

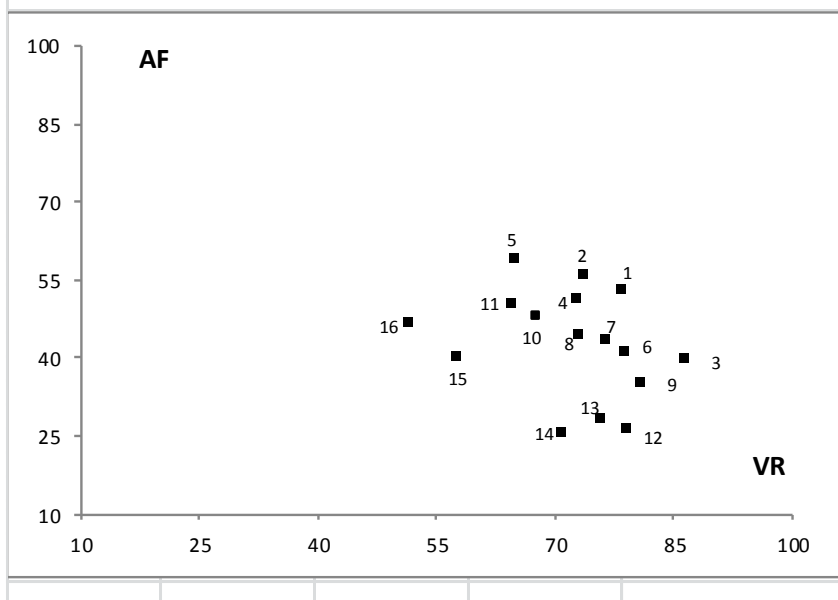
All the Municipalities are present for each demographic grouping in the last three graphs (Figures 19. 4, 19. 5, 19. 6), and so the polarization between Municipalities of each class appears slight and the clouds of dots are rather scattered. Here again the variability in the speed of collecting revenue is greater than the variability in financial autonomy.

Additionally, the wide dispersion of the values of every pair of indicators emerges strongly in Figure 19. 6, where the four metropolitan cities present values that are very different from each other.

Tavola 19.7 - Performance finanziaria di tutti i Comuni tra 30.000 e 50.000 abitanti.

N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	Avola	SR	78,5	53,2	1,70
2	Canicatti	AG	73,6	55,8	1,41
3	Castelvetrano	TP	86,5	39,5	1,26
4	Alcamo	TP	72,8	51,4	0,90
5	Augusta	SR	65,0	59,1	0,78
6	Barcellona Pozzo di Gotto	ME	78,8	41,1	0,56
7	Sciacca	AG	76,5	43,4	0,52
8	Misterbianco	CT	73,2	44,5	0,26
9	Licata	AG	80,9	35,3	0,23
10	Milazzo	ME	67,2	48,6	0,01
11	Monreale	PA	64,6	50,5	-0,10
12	Favara	AG	79,2	26,4	-0,83
13	Paternò	CT	75,8	28,1	-1,04
14	Adrano	CT	70,9	25,4	-1,84
15	Caltagirone	CT	57,7	40,1	-1,87
16	Partinico	PA	51,4	46,5	-1,95

Figura 19. 4 - Performance finanziaria di tutti i Comuni tra 30.000 e 50.000 abitanti.

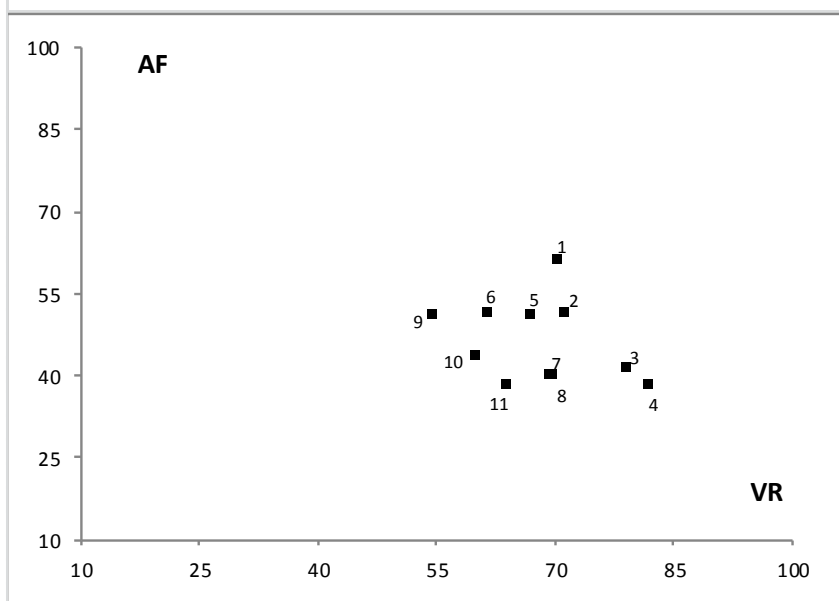


Source: Ministry for the Interior data-processing

Tavola 19.8 - Performance finanziaria di tutti i Comuni tra 50.000 e 100.000 abitanti.

N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	Trapani	TP	70,3	61,2	2,28
2	Ragusa	RG	71,4	51,2	1,09
3	Marsala	TP	79,0	41,5	0,75
4	Caltanissetta	CL	81,9	38,1	0,65
5	Vittoria	RG	67,1	51,1	0,54
6	Bagheria	PA	61,7	51,5	-0,10
7	Agrigento	AG	69,9	39,9	-0,61
8	Mazara del Vallo	TP	69,5	40,0	-0,65
9	Modica	RG	54,7	50,9	-1,05
10	Gela	CL	60,0	43,7	-1,35
11	Acireale	CT	64,1	38,3	-1,55

Figura 19.5 - Performance finanziaria di tutti i Comuni tra 50.000 e 100.000 abitanti.

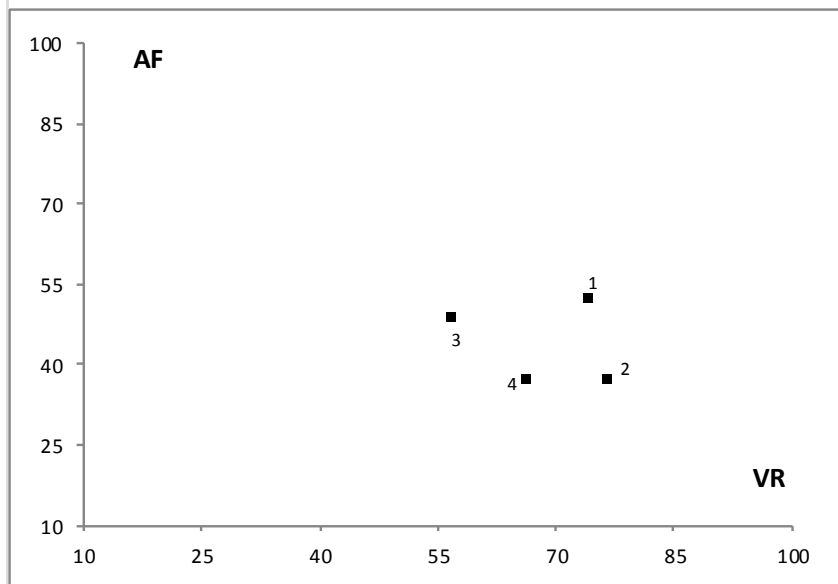


Source: Ministry for the Interior data-processing

Tavola 19. 9 - Performance finanziaria di tutti i Comuni oltre 100.000 abitanti.

N	Comune	Prov.	VR (1)	AF (2)	Indice sintetico standardizzato (*)
1	Siracusa	SR	74,1	52,3	1,71
2	Messina	ME	76,5	37,3	0,09
3	Catania	CT	56,7	48,7	-0,68
4	Palermo	PA	66,4	36,8	-1,11

Figura 19. 6 - Performance finanziaria di tutti i Comuni oltre 100.000 abitanti.



Source: Ministry for the Interior data-processing

Glossary

FINANCIAL INDICATORS

Financial pressure: ratio between amount of tax revenue/extra-tax revenue and the legal population at the General Census of the population in 2001.
It expresses the per capita incidence of the overall sums drawn by the Municipality to finance general services and those requested individually.

Taxation pressure: ratio between amount of tax revenue and the legal population at the General Census of the population in 2001.
It expresses sums drawn by the Municipality from the individual citizen to finance general services.

Revenue intervention: ratio between State transfers and the legal population at the General Census of the population in 2001.
It expresses the per capita figure of current State transfers

Regional intervention: ratio between current Regional transfers and the legal population at the General Census of the population in 2001.
It expresses the per capita figure of current Regional transfers.

Speed in collecting one's own revenue: ratio between the sums collected from tax and non-tax revenue and the tax assessment of this revenue, multiplied by 100.
It expresses the efficiency of the Municipality in managing its own revenue.

Speed in managing current expenditure: ratio between the total accrual-based payments of current expenditure and the commitments with regard to this expenditure, multiplied by 100.
It expresses the efficiency of the Municipality in managing current expenditure.

Financial autonomy: ratio between total tax revenue/non-tax revenue and total current revenue.
It expresses the capacity of the Municipality to stimulate its own revenue in relation to total current revenue.

Taxation autonomy: ratio between total tax revenue and total current revenue.

It expresses the capacity of the Municipality to exercise leverage from its own tax revenue in relation to actual overall revenue.

Further reading

Publications

AA. VV., First Statistical Inventory of municipalities in Sicily, Palermo, 2011
ISTAT, Municipal finance: revenue and expenditure in final balance (Municipalities, Provinces and Regions - year 2005), 2008

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