

Municipality Accounts 2001-2005

This series consists mainly of primary statistics, statistics from statistical accounting systems and results of special censuses and surveys. The series is intended to serve reference and documentation purposes. The presentation is basically in the form of tables, figures and necessary information about data, collection and processing methods, in addition to concepts and definitions. A short overview of the main results is also included

The series also includes the publications Statistical Yearbook of Norway and Svalbard Statistics

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Preface

The main purpose of these statistics is to present key figures and the economic situation in the municipalities and county municipalities of Norway.

This publication is based on yearly municipal and county municipal accounts from 2001-2005, which are the first five years all municipalities are represented in the KOSTRA (Municipality-State-Reporting) publication.

All the statistics in this publication have been published earlier in different connections. Parts of the statistics are published in "Today's Statistics". Articles from "Today's statistics" are also available at our website. Detailed figures can be found in the Stat Bank, KOSTRA:

http://statbank.ssb.no/statistikkbanken/default_fr.asp?PLanguage

Åse Marit Bø and Therese Bae have prepared this publication. Responsible for this publication is Head of Division Anne-Britt Svinnset, Division for Public Finance

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Øystein Olsen

Olav Ljones

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1. Main results and use of tables

1.1. Municipal economy

The municipalities are in the four-year period 2001-2004 characterized with weak net operation surplus and a high level of investments. In 2002 and 2003 net operating surplus was exceptionally weak with figures of 0.5 per cent of gross operating revenue. Operating revenue has been fairly weak in these years while increase in expenditure is about the same as earlier. The financial situation for municipalities improved in 2004 and continued into 2005. The reason for the improvement in 2005 is mainly due to the increase in ttax revenue and that the government subsidy, earmarked grants and reimbursement of value added tax (VAT) have increased with 5.7 per cent from 2004.

Moderate growth in employment and the reduction in interest rate the last years has also improved net operating surplus.

1. Main figures for operating and capital accounts and financing. Municipalities. Audited figures for 2001-2005. NOK million and as a percentage of gross operating revenue.

All municipalities	2001	2002 ¹	2003	2004 ²	2005
Operating account					
Gross operating revenue NOK million	176 121	178 725	186 897	199 727	210 478
Gross operating expenditure NOK million	172 207	178 167	188 183	197 829	206 279
Gross operating surplus NOK million	3 914	558	-1 285	1 896	4 199
Gross operating surplus as a percentage of gross operating revenue NOK million	2.2	0.3	-0.7	0.9	2.0
Interests and repayment NOK million	5 139	5 016	3 938	4 816	4 155
Net operating surplus NOK million	3 590	875	916	3 696	7 436
Net operating surplus as a percentage of gross operating revenue	2.0	0.5	0.5	1.9	3.5
Capital account					
Gross investment expenditure NOK million	23 831	27 092	28 019	26 738	22 989
Contribution, reimbursement and property sale revenue NOK million	9 269	8 402	6 944	6 111	6 055
Financing					
Surplus before loan and allocations NOK million ..	-4 876	-11 818	-14 323	-11 264	-3 347
Surplus before loan and allocations as a percentage of gross operating revenue	-2.8	-5.7	-7.7	-5.6	-1.6
Applied loans NOK million	18 129	21 435	16 617	16 596	16 215
Internal financing NOK million	-7 168	-5 269	3 480	299	-6 769

¹ The figures are corrected for Oslo's compensation due to Norwegian Hospital reform. ² Figures for 2004 are estimated.

Method for estimating national key figures

Specially for the publication in March a great part of the municipalities are not able to report the required data within the time limit. In June there are much less missing data.; Statistics Norway has prepared a method for estimating key figures on the national level.

The estimated key figures are estimated based on figures from municipalities that have reported data to KOSTRA (Municipality-State-Reporting) for 2004. The method is built on the assumption that there is a correlation between the variables in the key figures and the number of inhabitants in each municipality. The model estimates the rate between each variable and the number of people in each class of municipalities. The municipalities are classified according to similarity and this is exploited in the model. Next, variables for municipalities that have not reported data to KOSTRA, are estimated. Municipalities that have reported values that deviate strongly from other municipalities will not influence the values for municipalities that have not reported data.

More information is available in Notat 2003/46 at:

http://www.ssb.no/emner/00/00/20/notat_200346.pdf (In Norwegian only)

Before 2004, which was the first year the method of estimating figures was used, we filled in figures from early reported data to KOSTRA for the municipalities that did not report that year. For this publication there are no estimated figures for 2001, 2002 and 2003. For 2005 there was no need for estimating figures because all municipalities, except one minor municipality have reported data to KOSTRA within the timeframe given from Statistics Norway.

Municipal accounts show a net operating surplus of 7.4 billion NOK in 2005, or 3.5 per cent of gross operating revenue. This is a considerable improvement since 2001, and for the first time since 2001 net operating surplus is larger than what is recommended as the lowest level, which is 3 per cent of gross operating revenue. Committee for Assessment of Local Government Economy has recommended that net operating surplus over time should be at approximately 3 per cent of gross operating revenue so that municipalities and county municipalities can save capital for self-financing of investments.

In net operating surplus net interests and repayment is deducted, while depreciation does not have effect on the result. Net operating surplus gives an indication of the financial situation for the municipalities and express the total resources that can be allocated to either funds or investments, after deduction of interests and instalments.

Gross investment expenditure increased rapidly from 2001 to 2002, with 14 per cent or about 3 billion NOK on a national scale and maintained at the same high level both in 2003 and 2004. In the same period contribution, reimbursement and property sale revenue has decreased from about 9 million NOK in 2001 to 6.1 million NOK in 2004. Weak results in operating accounts combined with high net investment expenditure led to considerable increase in the deficit before loans and allocations. In 2004 the deficit is at 11.2 billion NOK.

Investments in municipalities has been reduced from 2004 to 2005 with 3.8 billion NOK and is therefore the main reason that the deficit before loans and allocations was reduces from -5.6 per cent of gross operating revenue in 2004 to -1.6 per cent in 2005.

2. Gross operating expenditure by service area as a percentage of gross operating expenditure. Municipalities. Audited figures for 2001-2005.

All municipalities	2001	2002	2003	2004 ²	2005
Norway without Oslo¹					
Administration, management and joint expenditure	10.0	9.3	8.3	7.7	8.0
Kindergarten	6.9	7.2	7.7	8.2	8.8
Primary and lower secondary education	24.6	24.6	25.1	24.3	24.2
Municipal health services	4.2	4.2	4.2	4.0	3.9
Social care	25.9	26.8	26.6	26.7	26.5
Social service	4.0	4.3	4.5	4.4	4.3
Child care	2.2	2.4	2.2	2.2	2.3
Water, wastewater and waste management	5.3	5.2	5.0	5.0	4.9
Culture	3.3	3.3	3.2	3.1	3.0

¹ Figures are exclusive Oslo municipality, because Oslo also is responsible for tasks normally carried out by county municipalities. ² Figures for 2001, 2002, 2003 and 2005 are based on municipalities that have reported. Figures for 2004 are estimates.

The gross operating expenditure is mainly used for social care, primary and lower secondary education, kindergarten and administration. In the period 2001-2005 the municipalities used most of their resources on social care. Institutional care and home-based care are both within social care. Primary and lower secondary education is the second largest item of expenditure for municipalities.

Municipalities have the responsibility to make sure education is good and useful for all pupils from 6-16 years of age. This also includes disabled pupils who need adjusted education and for adults who has not been given the opportunity to primary and lower secondary education earlier.

In the period 2001 to 2005 gross operating expenditure for municipal administration has decreased from 10.0 to 8.0 per cent. Municipal administration includes both political government control, and administration. The reason for the decrease is expenditure cuts because of the pressured municipal economy, and that the municipalities have spread the expenditures on the different service areas.

From 2004 to 2005 gross operating expenditure on municipal administration increased with 0.3 per cent. Within the service area the gross operating expenditure for kindergartens has increased from 6.9 per cent in 2001 to 8.8 per cent in 2005. This is the service area with the largest increase in the five-year period. The municipalities have an obligation to make sure that there are sufficient place in kindergarten for children under 6 years of age, and the increase in operating expenditure is mainly caused by increased coverage of places in kindergarten.

Municipalities also have a responsibility to cover other important services for the country's inhabitants. Among others is municipal health; social and child care services, technical services, church, culture and other services. Individually these service areas amount to a small share of the joint gross operating expenditure and the expenditures of these services has been nearly unchanged in the period 2001 to 2005. Even though these service areas are relatively small in comparison to joint operating expenditures, most of the service areas are regulated by law or regulations and are vital for a well-functional local government administration.

1.2. Municipal consolidated accounts

Statistics Norway started publishing KOSTRA figures for municipal and county municipal consolidated accounts in 2003. Consolidated municipal accounts consist of municipal accounts and units with separate accounts and municipal inter-authority companies. Municipal inter-authority companies are included from 2004.

3. Main figures for operating, capital accounts and financing. Consolidated municipal accounts. Audited figures for 2003-2005. NOK million and as a percentage of gross operating revenue.

All consolidated municipal accounts ¹	2003 ²	2004	2005
Operating account			
Gross operating revenue NOK million	190 766	205 387	213 986
Gross operating expenditure NOK million	191 859	202 735	210 211
Gross operating surplus NOK million	-1 094	2 653	3 775
Gross operating surplus as a percentage of gross operating revenue NOK million	-0.6	1.3	1.8
Interests and repayment NOK million	4 929	5 600	4 891
Net operating surplus NOK million	424	5 575	8 286
Net operating surplus as a percentage of gross operating revenue	0.2	2.7	3.9
Capital account			
Gross investment expenditure NOK million	29 884	29 787	26 600
Contribution, reimbursement and property sale revenue NOK million	7 234	7 334	7 133
Financing			
Surplus before loan and allocations NOK million ...	-16 230	-10 721	-4 479
Surplus before loan and allocations as a percentage of gross operating revenue	-8.5	-5.2	-2.1
Applied loans NOK million	17 913	18 433	18 230
Internal financing NOK million	4 257	-603	-6 903

¹ Consolidated municipal accounts consist of municipal accounts and units with separate accounts and municipal inter-authority companies. The figures contain all municipal accounts, and 166 units with separate accounts for 2003, 167 units with separate accounts and 78 municipal inter-authority companies in 2004, and 184 units with separate accounts and 119 municipal inter-authority companies in 2005. ² Net operating surplus for consolidated municipal accounts in 2003 is corrected for depreciation in three of Oslo's municipal units with separate accounts.

Consolidated municipal accounts shows in 2004 and 2005 a better net operating surplus than the municipal accounts, with 2.7 and 3.9 per cent of gross operating revenue. Figures for 2003 are somewhat lower than for municipality accounts. For consolidated municipal accounts the comparison over time is relatively weak. This is mainly caused by insufficient reports after introducing KOSTRA to consolidated municipal accounts in 2003. This is further mentioned in chapter 6.2.

1.3. County municipal economy

The financial situation is improved in the period 2001-2005. Net operating surplus and gross investment expenditure gives a good indication whether the county municipalities have a surplus or deficit before loan and allocations.

4. Main figures for operating and capital accounts and financing. County municipalities. Audited figures for 2001-2005. NOK million and as a percentage of gross operating revenue.

All county municipalities	2001	2002 ¹	2003	2004	2005
Operating account					
Gross operating revenue NOK million	75 664	33 772	35 832	33 639	35 685
Gross operating expenditure NOK million	77 118	34 133	36 349	33 064	35 297
Gross operating surplus NOK million	-1 454	-360	-517	575	388
Gross operating surplus as a percentage of gross operating revenue NOK million	-1.9	-1.1	-1.4	1.7	1.1
Interests and repayment NOK million	2 114	395	252	363	316
Net operating surplus NOK million	-1 396	299	393	1 448	1 415
Net operating surplus as a percentage of gross operating revenue	-1.8	0.9	1.1	4.3	4.0
Capital account					
Gross investment expenditure NOK million	6 758	2 939	3 253	3 017	3 284
Contribution, reimbursement and property sale revenue NOK million	2 202	-508	362	860	804
Financing					
Surplus before loan and allocations NOK million ...	-4 118	-2 281	-1 855	53	-279
Surplus before loan and allocations as a percentage of gross operating revenue	-5.4	-6.8	-5.2	0.2	-0.8
Applied loans NOK million	5 652	-11 392	1 683	833	1 774
Internal financing NOK million	289	-3 955	815	-156	-719

¹ The figures are corrected for Oslo's compensation due to Norwegian Hospital reform.

The responsibility for the hospitals was taken over by the central government from 1.1.2002. and The result of this reorganisation was a more than 50 percent reduction in the county municipalities' service production. The newly established regional public health corporation is responsible for the specialized health services and all activity concerning somatic, psychiatric and ambulance services. In regards to the Norwegian Hospital reform the state government gave the county municipalities, including Oslo a subsidy of 21.6 billion NOK. This compensation was primarily given to delete debt, contribution to holiday pay and contribution to new equipment. Of this subsidy the county municipalities have used about 2.7 billion NOK for operating accounts in 2002. This makes consequences for gross operating revenue, gross operating surplus and net operating surplus in the operating accounts. Contribution, reimbursement and property sale revenue in the capital accounts are corrected with 15.7 billion NOK from the subsidy (excluding Oslo), while surplus before loans and allocations are corrected with 18.4 billion (excluding Oslo).

Net operating surplus as a percentage of county municipalities gross operating revenues has shown great improvement in the five year period, from -1.8 per cent of gross operating expenditure in 2001 to 4.0 per cent in 2005. Net operating surplus gives an indication of the financial situation for the county municipalities and express the total resources that can be allocated to finance investments.

The level of investments is relatively stable, except from 2001 when hospitals were still a part of county municipalities. The county municipalities' improved financial situation can also be seen in the development in the surplus before loan and allocations. From a deficit of over 4 billion NOK, there was in 2004 a small surplus, but this changed to a small deficit in 2005. The surplus was in 2004 50 billion NOK, while the deficit in 2005 was about 280 million NOK. However this is still a good result compared with the years before 2004.

Surplus before loan and allocations is measured as the county municipalities' joint revenues deducted joint expenditures exclusive loan and repayment expenses. The composition of revenues and expenditures from both operating accounts and capital accounts gives an indication of the future development in the county municipalities' net debt.

5. Gross operating expenditure by service area as a percentage of gross operating expenditure. County municipalities. Audited figures for 2003-2005.

All county municipalities	2003	2004 ¹	2005
Administration, management and joint expenditure .	5.5	5.9	6.3
Upper secondary education	51.7	56.6	55.5
Dental health services	4.5	4.8	4.7
Transport and communication	15.5	17.4	17.1
Arrangements and assistance to trade and industry .	3.4	3.8	4.7
Cultural monuments, nature and local environment .	1.9	2.6	3.1
Culture	4.2	4.6	4.5

¹ Service areas childcare and family care were taken over by the government in 2004.

From 2003 county municipalities use more than 50 percent of the operating expenditures for upper secondary education. Since the Norwegian school reform in 1994, pupils who have graduated from primary and lower secondary education have a statutory right to three years of upper secondary education. County municipalities are responsible for this right to be fulfilled. Upper secondary education has become the most important service area since the Government took over the responsibility for hospitals in 2002. Transport and communication stands for 17.1 per cent of gross operating expenditure in 2005 and is the second largest service area for county municipalities. The main duties within transportation and communication are responsibility for public transport at sea and on land. In

addition to this, county municipalities are also responsible for the counties road network, and administrate transportation for pupils and disabled people.

Dental health service is the third largest service area. Dental health services provide free dental care for children and youth until 18 years of age, to psychic underdeveloped and to elderly and disable people who live in institutions and have home-based care.

Many of the services that are provided by the counties are complied with specific age groups and therefore the expenses to these important services are often affected by change in age structure.

1.4. County municipalities consolidated accounts

Statistics Norway started to produce figures for county municipalities consolidated accounts in 2003. County municipal consolidated accounts consist of county accounts and units with separate accounts and municipal inter-authority companies. The figures contain 18 county accounts, and 21 units with separate accounts for 2003, 12 units with separate accounts and 10 municipal inter-authority companies in 2004 and 13 units with separate accounts and 28 municipal inter-authority companies in 2005.

6. Main figures for operating and capital accounts and financing. Consolidated county municipalities accounts. Audited figures for 2003-2005. NOK million and as a percentage of gross operating revenue.

All consolidated county municipal accounts	2003	2004	2005
Operating account			
Gross operating revenue NOK million	36 348	34 192	36 217
Gross operating expenditure NOK million	36 770	33 594	35 771
Gross operating surplus NOK million	-422	597	446
Gross operating surplus as a percentage of gross operating revenue NOK million	-1.2	1.7	1.2
Interests and repayment NOK million	361	365	313
Net operating surplus NOK million	262	1 482	1 483
Net operating surplus as a percentage of gross operating revenue	0.7	4.3	4.1
Capital account			
Gross investment expenditure NOK million	3 258	3 027	3 311
Contribution, reimbursement and property sale revenue NOK million	362	860	808
Financing			
Surplus before loan and allocations NOK million ...	-1 749	80	-230
Surplus before loan and allocations as a percentage of gross operating revenue	-4.8	0.2	-0.6
Applied loans NOK million	1 684	841	1 794
Internal financing NOK million	949	-185	-776

County municipal consolidated accounts show a gross operating surplus of 450 million NOK, 13 per cent higher than county municipal accounts.

Net operating surplus is about 1.5 billion NOK and constitute of 4.1 per cent of operating accounts. In the same way as county municipal consolidated accounts, county municipal consolidated accounts are not comparable over time, see chapter 6.2.

2. Background and purpose

2.1. Purpose

The statistics give detailed information and a summary of the financial situation in municipalities and county municipalities.

Data of the economy in municipalities are published in Official Statistics of Norway *Kommunale Forhold i Norges Lands- og Bykommuner* from 1866 to 1874, and from 1875 to 1883 in Official Statistics of Norway over *Norges Kommunale Finanser*, and from 1884 to 1907 in Official Statistics of Norway *Kommunale Finanser*.

From 1908 to 1961 the figures are published in Official Statistics of Norway *Norges Kommunale finanser*. From 1966 to 1971 the municipal accounts were published in Official Statistics of Norway *kommuneregnskapar*. From 1974 to 1995 the municipal accounts were published in Official Statistics of Norway *Struktur tall for kommunenes økonomi*. Municipal accounts are published in Official Statistics of Norway *Kommune-Norge i tall* for 1996 and 1997. The publications mentioned above are only available in Norwegian.

2.2. Users and applications

The statistics give information about municipalities and counties to be used both for politicians and the government agencies, as well as for municipalities and county municipalities. The statistics also give information to media and the general public. In Statistics Norway these statistics constitute a part of the national accounts and financial sector balances.

Important external users of these statistics are municipalities and counties, ministries such as Ministry of Finance, Health and Care services, Local Government and Regional Development and Ministry of Education and Research. Among other important users of these statistics are different research institutions, The Norwegian Association of Local and Regional Authorities; Committee for Assessment of Local Government Economy. The statistics for municipal accounts are central in the report and publication system in KOSTRA (Municipality-State-Reporting) that was in full capacity in 2001.

3. Statistics production

3.1. Population

The statistics cover all municipalities and counties in Norway as well as municipal and county consolidated accounts, and show the level and composition of all revenues and expenditures and financial operations.

In 2005 Norway is divided into 433 municipalities and 18 counties. Oslo municipality also has duties for the county. The municipalities are very unlike when it comes to geography, area and inhabitants. Over half of the municipalities have less than 5 000 inhabitants, while there are only 12 municipalities that have more than 50 000 inhabitants.

Municipal and county consolidated accounts consist of municipal/county accounts and units with separate accounts and municipal inter-authority companies.

3.2. Data sources

The accounts are reported according to Local government act and appurtenant regulations. The regulations are available on the websites of the Ministry of Government and Regional Development <http://odin.dep.no/krd/english/bn.html> This publication is based on the reports to KOSTRA from municipalities and counties and their financial systems for the years 2001 to 2005. Both operating and capital accounts and balance (shows demands and debt) are electronically reported to Statistics Norway straight from the municipalities and counties.

3.3. Specifications of reported financial statement

Operational accounts are specified according to account category, function and type. The account category divides the operational and capital accounts. Function states which objective revenues and expenditures are according to, for instance administration, kindergarten, primary school, childcare and wastewater.

There are about 70 functions for municipalities and the same number for the counties. A summary of the different functions can be found in appendix 2 and 3.

The classifications of kinds are similar for municipalities and counties. They consist of these main categories:

<i>Expense/cost</i>	Wage Social expenditure Purchase of goods and services included in municipal service production Purchase of goods and services replacing municipal service production Grants Financial expenditure/financial transactions
<i>Revenues</i>	Sales revenues Grants subject to return service Government and other grants Financial expenditure/financial transactions

The classification by type also includes types that are meant to specify transactions between municipalities and units with separate accounts and municipal inter-authority companies. The objective with these types is to consolidate between purchase and sale and the amounts brought forward between municipalities and municipal consolidated accounts. Complete summaries of the classification of kinds are in appendix 4.

Balance accounts show a summary of property (current and fixed assets) and debt and net capital (short-term debt, long-term debt, net capital and memorandum accounts) In the balance account, the counter sector will also be stated. A complete summary of balance accounts and the different sectors are in appendix 5.

3.4. Control and revision

The municipalities and counties themselves control the data before reporting to Statistics Norway, by use of a control program for municipal accounts. When Statistics Norway receives the data, the same controls as in municipalities and counties will be completed. Controls regarding validity and sums must also be satisfied before the accounts are accepted in Statistics Norway.

These controls only check that the account category is valid and that functions and types are used. In Statistics Norway there are further controls to check that the central expense areas are reported and that there are only used logical combinations of account categories, functions and types. Statistics Norway also checks the municipal accounts and their similarity to earlier reported accounts and to accounts in similar municipalities (classification of municipalities).

If there are large or many errors in the reported accounts, the municipality that has reported the accounts will be contacted and asked to send in a new and improved report.

Data for last years reported accounts to KOSTRA are published March 15th as preliminary figures. Municipalities and counties has a deadline 15th of April to report their improved figures for the publication of final figures 15th of June.

4. Concepts, variables and classifications

4.1. Definition of the main concepts

Gross/net operation surplus

Gross operating surplus shows the difference between operating revenue and operating expenditures. Net operating surplus is what's left after operating revenue; net interests and net repayment are deducted. Net operating surplus shows the sum of resources that can be allocated to investments, future use or cover earlier years deficit.

The coherence between the variables is:

Gross operating revenue
 - Gross operating expenditure
 = Gross operating surplus
 - Net interests
 - Net repayment
 = Net operating surplus

There is a requirement that the budget has a net operating surplus larger or like zero. If the municipal accounts have a net operating deficit, this deficit must be covered within the next two years. In some cases there can be given a dispensation for some municipalities to cover the deficit within more than two years. The Committee for Assessment of Local Government Economy has come to the conclusion that a net operating surplus of about 3 per cent is satisfactory.

Surplus before loan and allocations

Surplus before loan and allocations shows net increase in debt and is the same as net lending/borrowing in the national accounts.

The coherence with other important variables is:

Gross operating surplus
 - Net interests
 - Gross investment expenditure
 + Contribution, reimbursement and property sale revenue
 = Surplus before loan and allocations

Detailed definitions

In the KOSTRA-publication, all published accounting figures are documented in a detailed level.

4.2. Characteristics of the municipal account

A fundamental principle of the municipal accounts is that the accounts are kept on a modified accrual basis. All known revenues and expenditures in the period must be included in the accounts for the concerning years, even if they are paid or not at the accounts closure. The time of payment is not significant for the accounts, but the time of acquisition- and use.

The municipal accounts are kept according to the Local Government Act and the municipal Account regulations. These regulations give detailed information of what to include in each type of revenue- and expenditure.

The yearly municipal accounts are the basics for the statistics, which is included in this publication.

This includes operating accounts, capital accounts and balance.

- The operating account includes revenues and expenditures, and also includes repayment etc.
- The capital account includes investment expenditures and shows how these are financed by use of loans and other means of investment.

- The balance statement includes assets, equity and liabilities.
- The appropriation accounts includes the sum of the operating accounts and the capital accounts.

Notes for the municipal accounts gives supplement comments for further understanding and interpretation of the results.

4.3. Classification of municipalities

Statistics Norway has classified all the 433 municipalities into 29 categories, by number of inhabitants and economic external conditions. The classification of municipalities is described by ¹Langørgen, Galloway and Aaberge (2006) (only in Norwegian). The municipalities is classified by three different dimensions:

1. Number of inhabitants, grouped into small, medium and large municipalities. Small municipalities have less than 5 000 inhabitants, medium have 5 000 to 19 999 inhabitants, and large municipalities have more than 20 000 inhabitants.
2. Restricted costs per inhabitant are a measure of the costs the municipalities have to meet the requirements set by the Government. Municipalities with low restricted costs include 25 per cent of the municipalities with the lowest restricted cost per inhabitant. Municipalities with high-restricted costs include 25 per cent of the municipalities with the highest restricted costs per inhabitant. The remaining 50 per cent of municipalities have medium restricted costs.
3. Unrestricted revenues per inhabitant are a measure of how much revenues municipalities have after covering all restricted costs. Municipalities with low unrestricted revenues include 25 per cent of the municipalities with the lowest restricted revenues per inhabitant. Municipalities with high-unrestricted revenues include 25 per cent of municipalities with the highest unrestricted revenues per inhabitant. The remaining 50 per cent of municipalities have medium unrestricted revenues.

The classification is based on data for 2003. A lot of municipalities have been re-grouped since the last classification, which was based on data from 1998. There are several of the 29 categories that do not include any municipalities. For instance there are not any of the large municipalities that have high-restricted costs per inhabitant. Some of the categories include only a few municipalities.

The classifications can be simplified by leaving out some of the empty categories and transfer some of the municipalities in the smallest categories to other neighbour categories. After this re-groupment there are 16 categories left. This simplified classification is shown in the next page. In 2003 there are two categories (except Oslo), which only includes one municipal. This concerns categories 4 and 9. For these municipalities to be in a comparable category, we have chosen to move Aremark from category 4 to 5, while Årdal is moved from category 9 to 12. Categories 4 and 9 are therefore empty.

For 2003, there are three small municipalities (Gjerdrum, Spydeberg and Sauda) with low restricted costs, which are re-grouped to categories with medium restricted costs. Andøy and Torsken have not reported the municipal accounts for 2003, and no data for unrestricted costs for these two municipalities are available. We have therefore anticipated that these two municipalities have not changed categories concerning unrestricted cost since the last classification based on data from 1998.

Alteration of the municipalities from 2001 to 2005

¹ Langørgen, A., T.A. Galloway og R. Aaberge (2006): *Gruppering av kommuner etter folke­mengde og økonomiske ramme­betingelser 2003*. Rapport 2006/8, Statistisk sentralbyrå, only available in Norwegian.

- 1159 Ølen is from 2002 a part of Rogaland county and received a new municipal number (Ølen was in 2001 a part of Hordaland county and had municipal number 1214)
- A new municipality, 0716 Re is established by a merge of 0716 Våle and 0718 Ramnes. Re is in municipal category 10.
- 0701 Borre has changed its name to 0701 Horten.
- 1842 Skjerstad has merged with 1804 Bodø. The new municipal has kept Bodø's original municipal number and name.

Municipalities divided into categories based on data for 2003

Category	Name	Number of municipalities in each category
1	Small municipalities with medium restricted costs per inhabitant, low unrestricted revenues.	28
2	Small municipalities with medium restricted costs per inhabitant, medium unrestricted revenues.	68
3	Small municipalities with medium restricted costs per inhabitant, high unrestricted revenues.	32
4	Small municipalities with high-restricted costs per inhabitant, low unrestricted revenues.	0
5	Small municipalities with high-restricted costs per inhabitant, medium unrestricted revenues.	46
6	Small municipalities with high-restricted costs per inhabitant, high unrestricted revenues.	59
7	Medium municipalities with low restricted costs per inhabitant, low unrestricted revenues.	34
8	Medium municipalities with low restricted costs per inhabitant, medium unrestricted revenues.	32
9	Medium municipalities with low restricted costs per inhabitant, high unrestricted revenues.	0
10	Medium municipalities with medium restricted costs per inhabitant, low unrestricted revenues.	20
11	Medium municipalities with medium restricted costs per inhabitant, medium unrestricted revenues.	48
12	Medium municipalities with medium restricted costs per inhabitant, high unrestricted revenues.	14
13	Large municipalities except the 4 largest cities.	39
14	Bergen, Trondheim and Stavanger	3
15	Oslo	1
16	The ten municipalities with highest unrestricted revenues per inhabitant	10
	All	433

The classification of the municipalities that is given in appendix 6, and also at SSB website <http://www.ssb.no/kostra/>

5. Sources of error and uncertainty

5.1. Measurement and processing errors

The controlling of the published preliminary figures March 15th are only done by electronic controls. These controls do not find all the errors and there can be errors in the published preliminary figures March 15th. When publishing edited figures June 15th, controls are made by both Statistics Norway and the municipalities themselves.

The publication gives very detailed information, and the controls done by Statistics Norway's do not cover all details, so errors can still occur in the June 15th publication.

5.2. Non-response errors

The municipal accounts are in principle reported by all the 433 municipalities, but when Statistics Norway publishes preliminary figures, there will always be considerable defection. By publication of edited figures there still will be non response municipalities, but considerably less than by preliminary figures. By March 15th the defection is about 30 per cent, and in June the defection is normally

less than 2 per cent. Statistics Norway has developed a method for estimating national figures, see chapter 1.2 in this publication. Except the estimation of national figures, there are no other calculations for the municipal accounts since the statistics are presented for each municipality and county.

5.3. Sampling errors

Municipalities and counties keep accounts according to the Local Government Act of 1992 and the regulations for accounts by 15th of November 2000. They have to convert the figures to the mandatory chart of accounts before the figures are sent to Statistics Norway. Errors may occur by converting figures electronically and there can also be other errors in municipal and county accounts. To make sure that all municipalities keep accounts according to the regulations and amplify eventual obscurities in the regulations, there is established an association called GKRS (The institute of generally municipal accepted accounting principles)

6. Comparability and coherence

6.1. Comparability over time and space

Obvious breaks in the time series does not occur very often since the chart of accounts is statutory by The Local Government Act and large alterations of the chart of accounts only occur by revision of The Local Government Act. The latest revision took place when KOSTRA was implemented in 2001.

2001 was the first year all municipalities and counties had the opportunity to report to KOSTRA. Figures from 2001 to 2005 are directly comparable, but figures before these years are not. In 1991 there was a large change in the regulations, so that figures from before and after 1991 are not directly comparable.

For municipalities and counties consolidated accounts the comparability over time is relatively weak. This is a result of insufficient reporting from units with separate accounts and municipal inter-authority companies. The response rate for these accounts have improved each year, which results in seeming growth that does not consist with reality. Statistics Norway does not have basis to estimate the defection.

6.2. Coherence with other statistics

Data from municipal accounts are assembled in KOSTRA with service data and key figures and show municipalities and counties priorities, coverage and productivity.

The municipal accounts also enter in the National accounts sector balance. Free positioning of municipal and county activities also influences the development of municipal economy. The statistics for municipal and county accounts must therefore be seen in relation to the statistics for consolidated accounts.

Consolidated municipal/county accounts consist of municipal/county accounts and units with separate accounts and municipal/county inter-authority companies.

7. Availability

7.1. Web addresses

Stat Bank: http://statbank.ssb.no/statistikkbanken/default_fr.asp?PLanguage=1

KOSTRA: http://www.ssb.no/english/subjects/00/00/20/kostra_en/

7.2. Language

English

7.3. Publications

The statistics is presented electronically by tables and figures in Today's Statistics and on the Statistics Norway web page.

7.4. Storing and use of basic material

The figures are stored in a database provided by Statistics Norway (Oracle and Unix)

7.5. Other documentation

Official Statistics of Norway – Norway in figures

Official Statistics of Norway Structural figures of municipal economy, latest 1995. 1996 is on disc.

Kommunenes økonomi og tjenesteproduksjon, sist for 1998.

Appendix

1. Tables

7. National key figures. Municipalities. Audited figures for 2002-2005.

	2002	2003	2004	2005
Financial key figures as a percentage of operating revenues				
Gross operating surplus as a percentage of gross operating revenue	0.3	-0.7	0.9	2.0
Net interest and instalments as a percentage of gross operating revenues	2.8	2.1	2.4	2.0
Net operating surplus as a percentage of gross operating revenue ..	0.5	0.5	1.9	3.5
Surplus before loan and allocations as a percentage of gross operating revenues	-5.7	-7.7	-5.6	-1.6
Long-term debt as a percentage of gross operating revenues	140.8	149.9	155.3	161.1
Of which: - Pension obligations as a percentage of gross operating revenues	:	79.4	86.3	90.6
Working capital as a percentage of gross operating revenues	23.6	20.8	19.3	21.6
Gross operating revenues divided into source of income				
Government subsidy as a percentage of gross operating revenues ..	21.6	20.8	17.4	17.3
Government earmarked grants as a percentage of gross operating revenues	4.2	5.0	5.8	6.1
Income and capital taxes as a percentage of gross operating revenues	41.6	42.3	42.0	41.8
Revenues from sales and hiring as a percentage of gross operating revenues	15.6	15.6	14.9	14.4
Reimbursement of value added tax (VAT) as a percentage of gross operating revenue	:	:	3.3	3.2
Gross capital expenditure				
Transfer from operational accounts as a percentage of gross capital expenditure	5.1	3.3	3.8	5.0
Contribution, reimbursement and property sale revenues as a percentage of gross capital expenditure	37.0	24.8	22.9	26.3
Various internal financing as a percentage of gross capital expenditure	-21.4	12.4	11.0	-2.1
Applied loans as a percentage of gross capital expenditure	79.1	59.3	62.0	70.5
Key figures per capita				
Gross operating revenue per capita. NOK	39 261	40 830	43 359	45 349
Unrestricted revenues per capita. NOK	24 803	25 754	25 710	26 781
Gross operating expenditure per capita. NOK	39 138	41 111	42 947	44 444
Net operating expenditure per capita. NOK	26 845	28 533	28 683	29 470
Net loan debt per capita. NOK	43 683	49 431	54 678	60 255
Key figures by service area¹				
Gross operating expenditure, administration, management and joint expenditure as a percentage of gross operating expenditure	9.3	8.3	7.7	8.0
Gross operating expenditure, kindergarten as a percentage of gross operating expenditure	7.2	7.7	8.2	8.8
Gross operating expenditure, primary and lower secondary education as a percentage of gross operating expenditure	24.6	25.1	24.3	24.2
Gross operating expenditure, municipal health services as a percentage of gross operating expenditure	4.2	4.2	4.0	3.9
Gross operating expenditure, social care as a percentage of gross operating expenditure	26.8	26.6	26.7	26.5
Gross operating expenditure, social services as a percentage of gross operating expenditure	4.3	4.5	4.4	4.3
Gross operating expenditure, child care as a percentage of gross operating expenditure	2.4	2.2	2.2	2.3
Gross operating expenditure, water, wastewater and waste management as a percentage of gross operating expenditure	5.2	5.0	5.0	4.9
Gross operating expenditure, culture as a percentage of gross operating expenditure	3.3	3.2	3.1	3.0

¹ The figures do not include Oslo municipality, because Oslo municipality also is responsible for tasks normally carried out by county municipalities.

8. Net operating surplus as a percentage of gross operating revenue. Categories of municipalities. Audited figures for 2001-2005

	2001	2002	2003	2004	2005
Categories of municipalities¹					
Average municipal category 1	1.8	0.5	1.2	1.6	2.8
Average municipal category 2	1.9	-0.1	1.9	1.6	3.1
Average municipal category 3	2.4	1.4	1.3	2.7	5.0
Average municipal category 4	0.4	-1.9	-1.5
Average municipal category 5	3.2	0.8	2.0	2.0	3.3
Average municipal category 6	1.7	0.8	1.6	2.6	4.1
Average municipal category 7	1.7	-0.8	-0.1	1.8	3.0
Average municipal category 8	0.9	0.5	0.3	1.7	2.4
Average municipal category 9	2.4	-0.3	0.6
Average municipal category 10	0.8	-0.2	0.5	1.6	2.2
Average municipal category 11	1.9	0.2	1.2	1.5	1.7
Average municipal category 12	1.2	1.8	1.2	2.1	2.7
Average municipal category 13	2.1	-0.4	1.7	1.9	3.7
Average municipal category 14	2.0	0.1	-3.3	2.7	6.0
Average municipal category 15	2.8	2.9	-0.6	1.1	3.6
Average municipal category 16	12.4	7.6	6.7	4.1	10.0

¹ The categories of municipalities were revised in 2005. Some municipalities have changed group. The criteria for classification are not changed.

9. National key figures. County municipalities. Audited figures for 2004-2005.

	2004	2005
Financial key figures as a percentage of operating revenues		
Gross operating surplus as a percentage of gross operating revenue	1.7	1.1
Net interest and instalments as a percentage of gross operating revenues	1.1	0.9
Net operating surplus as a percentage of gross operating revenue	4.3	4.0
Surplus before loan and allocations as a percentage of gross operating revenues	0.2	-0.8
Long-term debt as a percentage of gross operating revenues	132.1	134.6
Of which: - Pension obligations as a percentage of gross operating revenues	92.3	92.8
Working capital as a percentage of gross operating revenues	9.8	11.8
Gross operating revenues divided into source of income		
Government subsidy as a percentage of gross operating revenues	36.2	33.5
Government earmarked grants as a percentage of gross operating revenues	6.5	7.0
Income and capital taxes as a percentage of gross operating revenues	39.8	41.9
Revenues from sales and hiring as a percentage of gross operating revenues	5.0	4.9
Reimbursement of value added tax (VAT) accumulated in the capital accounts, as a percentage of gross operating revenue	1.3	1.3
Reimbursement of value added tax (VAT) accumulated in the operating accounts, as a percentage of gross operating revenue	1.8	2.2
Gross capital expenditure		
Transfer from operational accounts as a percentage of gross capital expenditure	15.6	12.0
Contribution, reimbursement and property sale revenues as a percentage of gross capital expenditure	28.5	24.5
Various internal financing as a percentage of gross capital expenditure	27.2	9.3
Applied loans as a percentage of gross capital expenditure	27.6	54.0
Key figures per capita		
Gross operating revenue per capita. NOK	8 252	8 700
Unrestricted revenues per capita. NOK	6 265	6 563
Gross operating expenditure per capita. NOK	8 111	8 605
Net operating expenditure per capita. NOK	6 304	6 652
Net loan debt per capita. NOK	9 792	10 882
Key figures by service area		
Gross operating expenditure, administration, management and joint expenditure as a percentage of gross operating expenditure	5.9	6.3
Gross operating expenditure, upper secondary education, as a percentage of gross operating expenditure	56.6	55.5
Gross operating expenditure, dental health services, as a percentage of gross operating expenditure	4.8	4.7
Gross operating expenditure, transport and communication, as a percentage of gross operating expenditure	17.4	17.1
Gross operating expenditure, municipal industrial activities and assistance to trade and industry, as a percentage of gross operating expenditure	3.8	4.7
Gross operating expenditure, cultural monuments, nature and local environment, as a percentage of gross operating expenditure	2.6	3.1
Gross operating expenditure, culture as a percentage of gross operating expenditure	4.6	4.5
Gross operating expenditure, other expenditure as a percentage of gross operating expenditure	4.3	4.1

10. Net operating surplus as a percentage of gross operating revenue. County municipalities. Audited figures for 2001-2005

	2001	2002	2003	2004	2005
County municipalities					
01 Østfold	-3.6	9.1	0.0	3.4	9.4
02 Akershus	1.5	5.0	-1.2	4.4	3.3
04 Hedmark	-4.0	9.7	1.5	5.5	1.5
05 Oppland	1.1	5.7	4.2	6.5	3.8
06 Buskerud	-4.0	10.0	-0.8	3.9	5.6
07 Vestfold	-3.1	7.9	2.3	2.0	4.7
08 Telemark	-4.8	12.5	0.4	1.5	2.4
09 Aust-Agder	-2.6	-0.1	-2.0	2.7	4.8
10 Vest-Agder	-0.5	2.0	2.3	2.0	3.9
11 Rogaland	-2.4	10.2	0.9	5.2	4.8
12 Hordaland	-5.5	15.0	-0.4	4.6	7.2
14 Sogn og Fjordane ..	-1.1	4.1	-1.0	3.2	0.6
15 Møre og Romsdal ..	-0.4	4.6	3.3	3.5	2.3
16 Sør-Trøndelag	-1.6	12.1	3.8	4.8	4.4
17 Nord-Trøndelag	-1.4	6.7	1.3	3.2	0.7
18 Nordland	0.8	7.3	3.4	8.8	2.4
19 Troms Romsa	0.8	5.6	-0.3	3.0	4.0
20 Finnmark					
Finnmárkku	-2.8	6.7	2.2	1.2	1.0
Average all county municipalities	-1.8	8.3	1.1	4.3	4.0

A general reimbursement system for value added tax (VAT) introduced from 1.1.2004, may give brudd in the time series from 2003 to 2004. The consequences may give decrease in total net operating surplus, in net operating on service areas, total adjusted gross expenditure, adjusted gross expenditure on service areas, total gross expenditure, gross expenditure on service areas and increase in gross operating revenue on service areas. The sum of gross operating expenditure on all service areas does not correspond to total gross operating due to discrepancies in definition.

The municipality of Oslo are responsible both for municipal and county municipal tasks.

2. Classifications of functions for municipalities

Function	Text
100	Political management and regulatory bodies
120	Administration
130	Administration buildings
170	Pension premium deviation
180	Various joint expenditures
190	Internal service units
201	Pre-school
202	Primary and lower secondary schools
211	Enhanced kindergarten services
213	Adult education at primary and lower
214	Special schools
215	Out of school care
221	Pre-school facilities and transportation
222	School buildings and school transport
231	Children and youth activities
232	Preventive health care, school/health centre
233	Preventive health care
234	Activation of elderly and disables
241	Diagnosis, treatment and rehabilitation
242	Social services, counselling and preventive social work
243	Assistance to substance abusers
244	Child welfare service
251	Child welfare, children living at home
252	Child welfare, children living away from home
253	Nursing and care services, institutions
254	Nursing and care services, home-based
261	Institution facilities

265	Dwellings with municipal right of disposal
273	Local government employment measures
275	Introductory programme for newly arrived immigrants
281	Social assistance
283	Assistance in setting up and retaining a home
285	Services other than ordinary municipal obligations
300	Land use planning
315	House building and residential environment initiatives
320	Municipal industrial activities
325	Arrangements and assistance for trade and industry
330	Transport companies/transport measures
333	Local roads - construction/operational/maintenance
334	Local roads - environment/road safety
335	Recreation in urban areas
338	Prevention of fires and other accidents
339	Preparedness for fire and other accidents
340	Production of water
345	Distribution of water
350	Wastewater cleansing
353	Wastewater pipelines/wastewater facilities
354	Emptying of sludge interceptors, septic tanks etc.
355	Collection of household waste
357	Recycling and end-use treatment of household waste
360	Management of nature and the outdoors
365	Cultural heritage protection
370	Libraries
373	Cinemas
375	Museums
377	Cultural arrangements
380	Sports
383	Municipal music and culture schools
385	Other cultural activities
390	The Church of Norway
392	Other religious purposes
393	Cemeteries and crematoria
800	Income and capital taxes
840	Government subsidies and other government grants
850	General government subsidies related to refugees
860	Offsetting entry, depreciation
870	Interest received/dividends and loans
880	Internal financial transactions
899	Annual accounts deficit/surplus

Functions divided by service areas

Administration, management and joint expenditure

Political management and regulatory bodies
Administration
Administration buildings
Pension premium deviation
Various joint expenditures
Internal service units

Kindergarten

Pre-school
Pre-school facilities and transportation
Enhanced kindergarten services

Primary and lower secondary education

Primary and lower secondary schools
Adult education at primary and lower secondary school level
Special schools
Out of school care
School buildings and school transport
Municipal music and culture schools

Municipal health services

Preventive health care, school/health centre
Preventive health care
Diagnosis, treatment and rehabilitation

Social care

Activation of elderly and disabled
Nursing and care services, institutions
Nursing and care services, home-based
Institution facilities

Social services

Social services, counselling and preventive social work
Assistance to substance abusers
Local government employment measures
Introductory programme for newly arrived immigrants
Social assistance

Childcare

Child welfare service
Child welfare, children living at home
Child welfare, children living away from home

Water, wastewater and waste management

Production of water
Distribution of water
Wastewater cleansing
Wastewater pipelines/wastewater facilities
Emptying of sludge inceptors, septic tanks etc.
Collection of household waste
Recycling and end-use treatment of household waste

Planning, cultural heritage and nature

Land use planning
Recreation in urban areas
Management of nature and the outdoors
Cultural heritage protection

Culture

Children and youth activities
Libraries
Cinemas
Museums
Cultural arrangements
Sports
Other cultural activities

Church

The Church of Norway
Other religious purposes
Cemeteries and crematoria

Transport

Transport companies/transport measures
 Local roads - construction/operation/maintenance
 Local roads - environment/road safety

Dwellings

Dwellings with municipal right of disposal
 Assistance in setting up and retaining a home
 House building and residential environment initiatives

Industry

Municipal industrial activities
 Arrangements and assistance for trade and industry

Fire and accidents

Prevention of fires and other accidents
 Preparedness for fire and other accidents

3. Classifications of functions for county municipalities

Function	Text
400	Political management and control bodies
420	Administration
430	Administration buildings
440	Personnel and recruitment
450	Internal service functions
460	Services other than ordinary county municipal obligations
470	Pension premium deviation
480	Various joint expenditures
490	Internal service units
510	School buildings, administration, transport and boarding
520	Teaching
541	General, economics and management studies
542	Building and construction trades
543	Electrical trades
544	Arts, crafts and design
545	Hotel and food processing studies
546	Health and social studies
547	Sports and physical education
548	Chemical and processing studies
549	Music, dance and drama studies
550	Engineering and mechanical trades
551	Agriculture, fishing and forestry studies
552	Technical building
553	Woodwork trades
554	Technical vocation schools/colleges
555	Sales and services
556	Media and communication studies
559	National level courses
560	Special education
570	Apprenticeship
581	Adult education fully financed by county
590	Other educational purposes
660	Dental health care - joint functions
665	Dental health care - treatment of patients
700	Arrangements and assistance for trade and industry
705	Financial assistance for trade and industry
710	County municipal industrial activities
715	Local and regional development
716	The outdoors and environment
720	County roads- construction/operation/maintenance
721	County roads - environment/road safety
730	Transport routes

731	Ferry connections for county roads
732	Regular coastal routes
733	Transport (arrangements) for disabled
734	Tramways and suburban railways
740	Libraries
750	Cultural heritage protection
760	Museums
771	Cultural arrangements
772	Art production
775	Sports
790	Other cultural activities
800	Income and capital taxes
840	Government subsidies and other government grants
850	General government subsidies related to refugees
860	Offsetting entry, depreciation
870	Interest received/dividends and loans
880	Internal financial transactions
899	Annual accounts deficit/surplus

Functions divided by service areas

Administration, management and joint expenditure

Political management and control bodies

Administration

Administration buildings

Personnel and recruitment

Internal service functions

Pension premium deviation

Various joint expenditures

Internal service units

Upper secondary education

Teaching

General, economics and management studies

Building and construction trades

Electrical trades

Arts, crafts and design

Hotel and food processing studies

Health and social studies

Sports and physical education

Chemical and processing studies

Music, dance and drama studies

Engineering and mechanical trades

Agriculture, fishing and forestry studies

Technical building

Woodwork trades

Technical vocation schools/colleges

Sales and services

Media and communication studies

National level courses

Special education

Apprenticeship

Adult education fully financed by county

Other education purposes

Dental health care

Dental health care - joint functions

Dental health care - treatment of patients

Planning, cultural heritage and nature

Local and regional development
The outdoors and environment
Cultural heritage protection

Culture

Libraries
Museums
Art production
Cultural arrangements
Sports
Other cultural activities

Transport

County roads- construction/operation/maintenance
County roads - environment/road safety
Transport routes
Ferry connections for county roads
Regular coastal routes
Transport (arrangements) for disabled
Tramways and suburban railways

Trade and industry

Arrangements and assistance for trade and industry
Financial assistance for trade and industry
County municipal industrial activities

4. Classification by types

The types that are written in italic under account category 1 or 0 are only valid in this account. All other types are used both in operational and capital accounts.

	Account category 1	Account category 0
	Operational accounts	Capital accounts
EXPENSE/COST		
Wages	010 Wages, permanent staff 020 Wages, deputies 030 Wages, relief staff 040 Overtime pay 050 Wages, salaries and taxable remuneration <i>070 Wages, maintenance</i>	<i>070 Wages, maintenance, new buildings/projects</i>
	080 Remuneration, elected bodies 089 Taxable wages not subject to employers' contributions	
Social expenses	090 Pension premiums and taxable insurance schemes 099 Employers' National insurance contributions	
Purchases of goods and services included in municipal service production	100 Office materials 105 Teaching materials 110 Medical consumables 114 Remedies 115 Groceries 120 Other consumables/raw material and services 130 Postal and banking services, telephone	

140 Advertising, information	
150 Training and courses	
160 Declarable expenses and allowances for travel, subsistence and mileage	
165 Other declarable remuneration	
170 Transport expenses and running costs of own transport	
180 Energy	
185 Insurance and expenses for security	
190 Lease of premises and ground	
195 Charges, fees, licenses etc.	
200 Inventory and equipment	
209 Medical equipment	
210 Purchase, rent and leasing of transport	210 Purchase of means of transport
220 Purchase, rent and leasing of machines	220 Purchase of machines
230 Maintenance and building work	230 Maintenance, building work, new buildings
240 Service agreements and repairs	
250 Materials for maintenance	250 Materials for maintenance and new buildings
260 Cleaning, laundry and care taking services	
270 Consulting services	
	280 Land acquisitions
	285 Purchase of existing buildings/projects
290 Internal purchases	
Purchase of goods and services replacing municipal service production	300 Purchase from central government
	330 Purchase from county municipalities
	350 Purchase from municipalities
	370 Purchases from others (private sector)
	375 Purchase from inter-authority companies where the (county) municipality participates
	380 Purchase from units with separate accounts within (county) municipalities
Grants	400 Grants to central government
	429 Value added tax not subject to VAT legislation
	430 Grants to county municipalities
	450 Grants to municipalities
	470 Grants to others (private sector)
	475 Grants to municipal inter-authority companies where the (county) municipality participates
	480 Grants to own units with separate accounts within own (county) municipality (490 reserved grants/allocated funds)
Financial expenditure, financial transactions	500 Interest paid, commission and other financial expenditures
	510 Instalments paid
	520 Lending
	529 Purchase of shares and units
530 Coverage of accumulated deficit	530 Coverage of accumulated deficit
540 Allocated to retained profits	548 Allocated to unrestricted investment funds
550 Allocated to restricted investment funds	
560 Allocated to liquidity reserve	

570 *Transferred to capital accounts*
 580 *Accumulated surplus*
 590 *Depreciation*

580 *unallocated surplus – capital accounts*

REVENUES**Revenues from sales**

600 User payments for municipal services
 620 (Other) revenues from sales and hiring
 629 Ticket revenues
 630 Rental income and ground rent
 640 Taxable fees
 650 Other taxable sales of goods and services
 660 Disposal of fixed assets
 670 *Disposal of real-estate*
 690 Expenditures allocated internally

Grants subject to return service

700 Reimbursement from central government
 710 Six pay reimbursement
 728 *VAT compensation accumulated in capital accounts*
 729 *VAT compensation accumulated in operational accounts*
 730 Reimbursement from county municipalities
 750 Reimbursement from municipalities
 770 Reimbursement from others (private sector)
 775 Reimbursement from municipal inter-authority companies where the (county) municipality participates
 780 Reimbursement from own units with separate accounts in own (county) municipality
 790 Internal sales

Government and other grants

800 *Block grants*
 810 Other government grants
 830 Grants from county municipalities
 850 Grants from municipalities
 870 *Income and capital tax*
 874 *Property tax*
 877 *Other direct and indirect taxes*
 880 Grants from own units with separate accounts in own (county) municipality
 890 Grants from others (private sector)
 895 Grants from municipal inter-authority companies where the (county) municipality participates

Financial revenues, financial transactions

900 Interest received
 905 Dividends and other distributed income
 910 *Use of loans*
 920 Instalments received on loans
 929 *Disposal of shares and units*
 930 *Application of accumulated unallocated surplus*
 930 *Application of accumulated unallocated surplus*
 940 Application of retained profits
 948 *Application of unrestricted investment funds*
 950 Application of restricted funds
 960 Application of liquidity reserves
 970 *Transferred from operational accounts*
 980 *Uncovered*
 980 *Accumulated deficit*
 990 *Offsetting entry, depreciation*

5. Balance statement

Chapter Text

ASSETS:

Current assets:

2.10	Cash in bank and at hand etc.
2.11	Bonds
2.12	Certificates
2.13	Short-term receivables
2.18	Commercial papers
2.19	Pension premium deviation

Fixed assets:

2.20	Pension funds
2.21	Shares and units
2.22	Loans
2.24	Equipment, machinery, motor vehicles
2.27	Land, buildings and other real property

DEMANDS AND DEBT:

Short-term debt:

2.31	Bank overdraft
2.32	Other short-term liabilities
2.39	Pension premium deviation

Long-term debt:

2.40	Pension obligations
2.41	Bonds
2.43	Commercial papers
2.45	Other loans

Demands:

2.51	Operating funds, restricted
2.53	Operating funds, unrestricted
2.55	Investment funds, restricted
2.56	General funds
2.5900	Deficit of the year
2.5950	Surplus of the year
2.5960	Surplus of the year in capital accounts
2.5970	Deficit of the year in capital accounts
2.5980	Liquidity reserve
2.5990	Capital funds

Memorandum accounts:

2.9100	Unused loans
2.9200	Other memorandum accounts
2.9999	Offsetting account, memorandum accounts

VALID SECTORS

Sector Text

00	Funds
10	Public and social security administration
14	Sector for tax collection
15	Central Bank of Norway

19	Government loan institutions
20	Commercial and saving banks- including Postbanken
31	Mortgage and finance company
38	Securities' fund
41	Life insurance (including municipal pension funds)
47	General insurance
50	Local Government Administration (own municipality and other municipalities and counties)
63	Federal owned companies
66	Municipal business management (own and other municipalities and counties)
68	Independent municipal companies (own and inter (county) municipal closed companies and co-operative societies)
70	Private enterprises with limited responsibility (mainly closed companies and co-operative societies)
75	Households (inclusive self-employed tradesmen)
90	Out of the country
98	Non available bank deposit (tax deduction)
99	Suspense account

6. Classification of municipalities

Category 1

0111	Hvaler	0719	Andebu	1142	Rennesøy
0122	Trøgstad	0723	Tjøme	1222	Fitjar
0127	Skiptvet	0728	Lardal	1430	Gaular
0137	Våler	0811	Siljan	1433	Naustdal
0138	Hobøl	0919	Froland	1441	Selje
0234	Gjerdrum	0928	Birkenes	1511	Vanylven
0239	Hurdal	1029	Lindesnes	1529	Skodje
0621	Sigdal	1112	Lund	1547	Aukra
0622	Krødsherad	1114	Bjerkreim		
0714	Hof	1141	Finnøy		

Category 2

0119	Marker	0911	Gjerstad	1612	Hemne
0123	Spydeberg	0937	Evje og Hornnes	1617	Hitra
0426	Våler	1111	Sokndal	1620	Frøya
0430	Stor-Elvdal	1154	Vindafjord	1627	Bjugn
0438	Alvdal	1159	Ølen	1630	Åfjord
0511	Dovre	1211	Etne	1635	Rennebu
0513	Sjåk	1216	Sveio	1636	Meldal
0514	Lom	1231	Ullensvang	1644	Holtålen
0515	Vågå	1241	Fusa	1664	Selbu
0519	Sør-Fron	1242	Samnanger	1717	Frosta
0520	Ringebu	1244	Austevoll	1718	Leksvik
0521	Øyer	1251	Vaksdal	1724	Verran
0540	Sør-Aurdal	1260	Radøy	1744	Overhalla
0543	Vestre Slidre	1264	Austrheim	1750	Vikna
0544	Øystre Slidre	1419	Leikanger	1812	Sømna
0616	Nes	1431	Jølster	1851	Lødingen
0617	Gol	1438	Bremanger	1854	Ballangen
0619	Ål	1517	Hareid	1867	Bø
0631	Flesberg	1525	Stranda	1868	Øksnes
0817	Drangedal	1543	Nesset	1913	Skånland
0822	Sauherad	1551	Eide	1925	Sørreisa

0828	Seljord	1557	Gjemnes	1938	Lyngen
0829	Kviteseid	1567	Rindal		
Category 3					
0429	Åmot	1417	Vik	1923	Salangen
0618	Hemsedal	1422	Lærdal	1941	Skjervøy
0620	Hol	1426	Luster	1942	Nordreisa
0633	Nore og Uvdal	1560	Tingvoll	2002	Vardø
0833	Tokke	1569	Aure	2011	Guovdageaidnu - Kautokeino
0834	Vinje	1573	Smøla	2019	Nordkapp
1133	Hjelmeland	1711	Meråker	2020	Porsanger
1134	Suldal	1736	Snåsa	2021	Karasjohka - Karasjok
1135	Sauda	1832	Hemnes	2025	Deatnu - Tana
1259	Øygarden	1840	Saltdal	2028	Båtsfjord
1416	Høyanger	1922	Bardu		
Category 5					
0118	Aremark	1233	Ulvik	1613	Snillfjord
0121	Rømskog	1234	Granvin	1622	Agdenes
0436	Tolga	1265	Fedje	1633	Osen
0439	Folldal	1411	Gulen	1725	Namdalseid
0441	Os	1412	Solund	1743	Høylandet
0512	Lesja	1413	Hyllestad	1822	Leirfjord
0541	Etnedal	1428	Askvoll	1825	Grane
0827	Hjartdal	1429	Fjaler	1828	Nesna
0830	Nissedal	1444	Hornindal	1834	Lurøy
0912	Vegårshei	1514	Sande	1836	Rødøy
0929	Åmli	1523	Ørskog	1838	Gildeskål
0935	Iveland	1526	Stordal	1852	Tjeldsund
1021	Marnardal	1545	Midsund	1859	Flakstad
1027	Audnedal	1546	Sandøy	1927	Tranøy
1034	Hægebostad	1571	Halsa		
1223	Tysnes	1572	Tustna		
Category 6					
0432	Rendalen	1742	Grong	1874	Moskenes
0434	Engerdal	1748	Fosnes	1915	Bjarkøy
0545	Vang	1749	Flatanger	1917	Ibestad
0615	Flå	1755	Leka	1919	Gratangen
0632	Rollag	1811	Bindal	1920	Lavangen
0831	Fyresdal	1815	Vega	1926	Dyrøy
0938	Bygland	1816	Vevelstad	1928	Torsken
1026	Åseral	1818	Herøy	1929	Berg
1129	Forsand	1826	Hattfjelldal	1936	Karlsøy
1144	Kvitøy	1827	Dønna	1939	Storfjord
1145	Bokn	1835	Træna	1940	Kåfjord
1227	Jondal	1839	Beiarn	1943	Kvænangen
1266	Masfjorden	1842	Skjerstad	2014	Loppa
1418	Balestrand	1845	Sørfold	2015	Hasvik
1524	Norddal	1848	Steigen	2017	Kvalsund
1632	Roan	1849	Hamarøy	2018	Måsøy

1665	Tydal	1850	Tysfjord	2022	Lebesby
1723	Mosvik	1853	Evenes	2023	Gamvik
1738	Lierne	1856	Røst	2024	Berlevåg
1740	Namsskogan	1857	Værøy		
Category 7					
0135	Råde	0237	Eidsvoll	1221	Stord
0136	Rygge	0415	Løten	1243	Os
0211	Vestby	0427	Elverum	1246	Fjell
0215	Frogn	0533	Lunner	1528	Sykkylven
0216	Nesodden	0624	Øvre Eiker	1532	Giske
0221	Aurskog-Høland	0627	Røyken	1621	Ørland
0226	Sørum	0711	Svelvik	1638	Orkdal
0227	Fet	0926	Lillesand	1657	Skaun
0228	Rælingen	1018	Søgne	1663	Malvik
0229	Enebakk	1120	Klepp	1714	Stjørdal
0233	Nittedal	1121	Time		
0236	Nes	1124	Sola		
Category 8					
0124	Askim	0904	Grimstad	1443	Eid
0238	Nannestad	1003	Farsund	1503	Kristiansund
0402	Kongsvinger	1014	Vennesla	1515	Herøy
0418	Nord-Odal	1127	Randaberg	1516	Ulstein
0419	Sør-Odal	1130	Strand	1531	Sula
0516	Nord-Fron	1245	Sund	1534	Haram
0529	Vestre Toten	1256	Meland	1554	Averøy
0532	Jevnaker	1263	Lindås	1556	Frei
0702	Holmestrand	1420	Sogndal	1719	Levanger
0814	Bamble	1432	Førde	1841	Fauske
0821	Bø	1439	Vågsøy		
Category 10					
0214	Ås	0722	Nøtterøy	1253	Osterøy
0417	Stange	0914	Tvedestrand	1449	Stryn
0623	Modum	1002	Mandal	1519	Volda
0628	Hurum	1017	Songdalen	1520	Ørsta
0713	Sande	1032	Lyngdal	1548	Fræna
0716	Re	1122	Gjesdal	1653	Melhus
0720	Stokke	1219	Bømlo		
Category 11					
0125	Eidsberg	0901	Risør	1662	Klæbu
0128	Rakkestad	1004	Flekkefjord	1703	Namsos
0420	Eidskog	1101	Eigersund	1721	Verdal
0423	Grue	1119	Hå	1729	Inderøy
0425	Åsnes	1224	Kvinnherad	1751	Nærøy
0428	Trysil	1235	Voss	1805	Narvik
0517	Sel	1238	Kvam	1813	Brønnøy
0522	Gausdal	1401	Flora	1820	Alstahaug
0528	Østre Toten	1445	Gloppen	1824	Vefsn
0534	Gran	1535	Vestnes	1860	Vestvågøy

0536	Søndre Land	1539	Rauma	1865	Vågan
0538	Nordre Land	1566	Surnadal	1866	Hadsel
0542	Nord-Aurdal	1624	Rissa	1870	Sortland
0612	Hole	1634	Oppdal	1871	Andøy
0807	Notodden	1640	Røros	1931	Lenvik
0815	Kragerø	1648	Midre Gauldal	1933	Balsfjord
Category 12					
0437	Tynset	1228	Odda	2003	Vadsø
0819	Nome	1424	Årdal	2004	Hammerfest
0826	Tinn	1563	Sunnadal	2012	Alta
1037	Kvinesdal	1837	Meløy	2030	Sør-Varanger
1146	Tysvær	1924	Målselv		
Category 13					
0101	Halden	0501	Lillehammer	0906	Arendal
0104	Moss	0502	Gjøvik	1001	Kristiansand
0105	Sarpsborg	0602	Drammen	1102	Sandnes
0106	Fredrikstad	0604	Kongsberg	1106	Haugesund
0213	Ski	0605	Ringerike	1149	Karmøy
0217	Oppegård	0625	Nedre Eiker	1247	Askøy
0219	Bærum	0626	Lier	1502	Molde
0220	Asker	0701	Borre	1504	Ålesund
0230	Lørenskog	0704	Tønsberg	1702	Steinkjer
0231	Skedsmo	0706	Sandefjord	1804	Bodø
0235	Ullensaker	0709	Larvik	1833	Rana
0403	Hamar	0805	Porsgrunn	1901	Harstad
0412	Ringsaker	0806	Skien	1902	Tromsø
Category 14					
1103	Stavanger	1201	Bergen	1601	Trondheim
Category 15					
0301	Oslo				
Category 16					
0940	Valle	1232	Eidfjord	1911	Kvæfjord
0941	Bykle	1252	Modalen	2027	Nesseby
1046	Sirdal	1421	Aurland		
1151	Utsira	1739	Røyrvik		

County municipalities

For presentational purposes the county municipalities are divided into five categories. The classification is the same as for health regions except for Oslo, which is an own category.

Group	Name	County municipalities
Category 1	Eastern-Norway	Østfold, Akershus, Hedmark and Oppland
Category 2	Southern-Norway	Aust-Agder, Vest-Agder, Buskerud, Vestfold and Telemark
Category 3	Western-Norway	Rogaland, Hordaland og Sogn and Fjordane
Category 4	Middle Norway	Møre og Romsdal, Sør-Trøndelag and Nord- Trøndelag
Category 5	Northern Norway	Nordland, Troms and Finnmark

This category is included to show county municipal services for Oslo municipality.

Category 6	Oslo	Oslo municipality
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