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# Popular Financial Report

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2022



# Mayors letter

Chairman of the Municipal Executive Board

When we summarize 2022, we can state that it was once again a year of strong growth for Skellefteå municipality. The population increased strongly and employment among the municipality's residents is among the highest in the country. The development with new establishments and large investments continues. During the 10-year period 2016-2025, the municipality and its companies have implemented and plan to implement investments for over SEK 25 billion. If you then add the large investments made by the state and the private sector, you realize that it is in Skellefteå municipality that the strong development takes place. This is where the most investments are made in the whole country and the municipality has a unique position that is reflected in the interests that exist from both national and international sources.

The strong growth is particularly evident when you look at the municipality's unemployment figures, which are now almost 50 percent lower than the rest of the country. Growth is also evident when studying the population figures, which show a significantly stronger development for Skellefteå compared to the country. The increasing immigration also increases the demand for housing. Currently, 2,000 homes are being built in Skellefteå municipality. The assessment is that the population target of 90,000 inhabitants by 2030 is possible to achieve with current social development. The level means that 7-9 thousand homes need to be built until 2030, which corresponds to about 1,000 homes per year. Skellefteå municipality therefore has a high rate of planning and development.



The financial result for the municipal group was unusually strong in 2022, largely due to the energy business, which had a good year as a result of both high electricity prices and good electricity production. Funds that can now be used for sustainable energy investments and for the continued green transition. The municipality, excluding companies, also reports a strong result due to the electricity supply (4 power plants) but also due to income from land sales. The municipality's strong performance in 2022 also led to a better outcome for tax revenue and general government grants. The overall surplus is important if we are to continue to manage a high level of self-financing of our investments and to safeguard the welfare of the municipality's residents.

A small spare capacity in the labor market also makes the supply of skills challenging for the municipality, the region and the private sector. Large investments are therefore being made to increase the attraction of both the location and the organization Skellefteå municipality in various ways. The development of the Campus area is a central part of the ever-increasing need for both higher education and vocational training, and through the construction of the Arctic Center of Energy, together with various actors, we are creating a world-leading center for society's energy transition. The plans for permanent student housing are now at an advanced stage and we decided in 2022 to continue to offer a housing guarantee for students.

In conclusion, I want to quote Skellefteå municipality's vision "A sustainable place for a better everyday life" which means that the municipality, even if special efforts are now required to secure future skills, housing and infrastructure, needs to continue on the path of developing welfare for our residents. This is about an accessible school with a high level of both learning and security and a developed health and care for our elderly and disabled.

Lorents Burman Chairman of the Municipal Executive Board



# General Data and Context

Skellefteå, with a population density of 10.7 inhabitants per square kilometer, witnessed a notable demographic shift at the end of the year. The municipality's population reached 74,402 inhabitants, reflecting a remarkable increase of 1,009 individuals. This surge in population marks the most rapid growth since the municipality assumed its present geographical boundaries in 1974.

During this period, 3,126 people relocated to Skellefteå, while 2,011 residents chose to move elsewhere. Similar to previous years, the number of deaths continued to outnumber births. However, there are signs of a shift in this trend as the municipality's population experiences a newfound wave of youthfulness.

Change of data	2022	2021
Number of students F-9 incl. elementary special school	8496	8436
Number of children in preschool	3822	3787
Antal registrerade nya företag i Skellefteå med F-skattsedel	364	397

## Municipality

Municipality	2022	2021	2020	2019	2018
Population, number of inhabitants	74 402	73 393	72 840	72 589	72 467
Municipal tax rate, %	22.60	22.60	22.60	22.65	22.65
Operating income, SEK m	2 452	2 029	1 863	1 645	1 704
Operating costs, SEK million	6 422	6 269	5 989	6 030	6 060
Profit for the year, SEK million	901	462	382	60	19
Equity ratio, including pension obligations, %	59	62	62	64	67
Net investments, SEKm	800	865	1 040	792	754
Self-financing rate, %	100	100	35	6	67
Loan debt, SEK m	1 763	1 888	2 388	1 713	970
Other long-term liabilities, SEK m	3 980	2 127	1 457	1 486	1 147



# Immigration and emigration

Net migration, which encompasses both immigration and emigration, plays a pivotal role in shaping the population dynamics over a given time frame. Domestic immigration remained relatively stable at approximately 1,500 individuals for several years. However, in 2017, there was a notable upturn in domestic immigration, reaching 2,168 people by 2022. Conversely, international immigration experienced a significant decline between 2018 and 2020 but has been steadily recovering, nearing the peak levels observed in 2017 after a couple of years of growth.

As immigration rates rise, emigration also tends to increase due to heightened population mobility, although, surprisingly, emigration in 2022 decreased slightly compared to the previous year. In total, these migration patterns resulted in a net population increase of 1,115 people in 2022.

The municipality has consistently experienced a negative net birth rate over several years. In 2022, 666 children were born, while 851 residents passed away. As of the year's end, the municipality was home to 38,171 men and 36,231 women, indicating a slight gender imbalance with approximately 1,900 more men than women. Notably, the only age groups where women outnumbered men were among zero-year-olds and in the eldest age group (80 and above).

Year (whole year)	People- amount	Increase	Born	Kill	Net	Foreign move in	Foreign relocation	Net	Domestic move in	Domestic relocation	Net	<i>Just</i>
2020	72 840	251	716	784	-68	386	118	268	1 810	1 768	42	9
2021	73 393	553	717	865	-148	642	135	507	2 062	1 963	99	95
2022	74 402	1 009	666	851	-185	958	134	824	2 168	1 877	291	79

# Age classes

In 2022, the population increased across all age groups, with the exception of the youngest, the so-called zero-year-olds. Notably, the number of men in the population outpaced the growth rate of women. Over the past decade, Skellefteå municipality has generally experienced positive population growth, except for a decline in 2018. However, the most recent four years have witnessed a consistent and upward trajectory in the municipality's population.

If Skellefteå municipality maintains its recent immigration and emigration patterns, the projection suggests a population of around 81,000 inhabitants by 2030. However, to reach the ambitious target of 90,000 inhabitants by 2030, substantial increases in immigration to the municipality are necessary. Furthermore, most indicators suggest that population growth will be notably more robust than in previous years. This is due to a high demand for labor and a rapid expansion in the construction of new homes.

Age classes 31 December 2022	Men	Women	Total	Change (2021)
0 years	337	343	680	-41
1-6 years	2 463	2 368	4 831	92
7-15 years	3 935	3 617	7 552	91
16-19 years	1 766	1 574	3 340	21
20-79 years	27 672	25 476	53 148	716
80-w year	1 998	2 853	4 851	130
Amount	<b>38 171</b>	<b>36 231</b>	<b>74 402</b>	<b>1 009</b>



# Rankings and Positioning

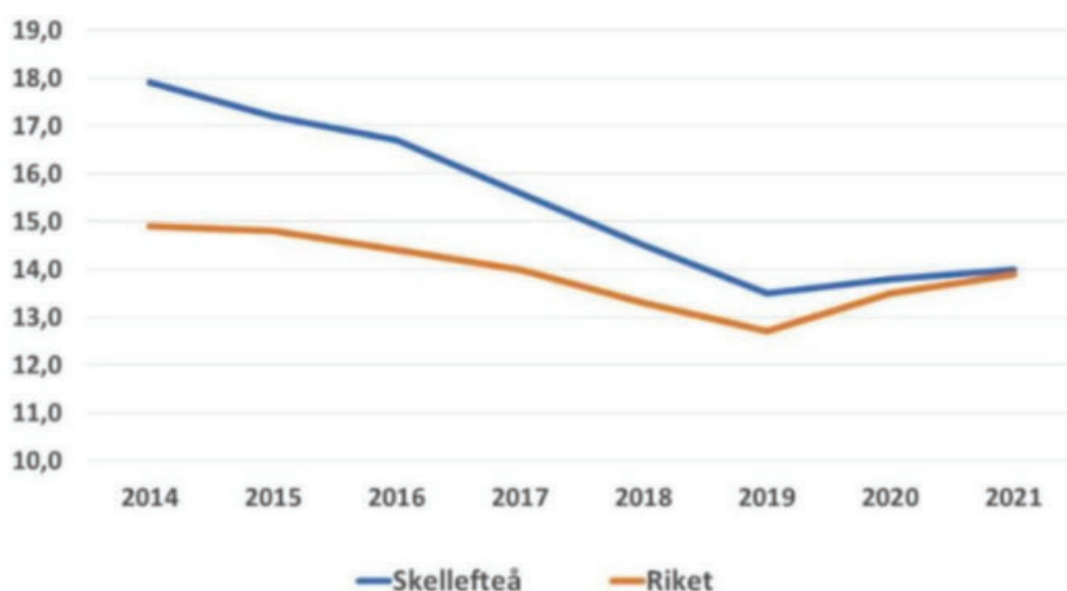
## National and local development

Both the Swedish and global economies are showing signs of weakening, largely influenced by the tightening of monetary policy and soaring inflation rates. This trend is contributing to a slowdown in demand across most economies. Sweden's growth prospects are bleak, with a predicted decline in GDP. The number of employed individuals is on the decline, and there's an anticipation of rising national unemployment in the years ahead.

While Skellefteå shares certain aspects of its future development with other Swedish municipalities, it also stands out in several ways. Unlike the rest of Sweden, which is entering a recession, Skellefteå's robust growth trajectory is expected to persist. This resilience is particularly evident in declining unemployment rates, contrasting with the widening gap between Skellefteå and the rest of the country.

The municipality's increasing employment levels correlate with growing prosperity, notably reflected in reduced reliance on social benefits such as unemployment benefits, financial assistance, sickness allowances, and activity allowances. The shift towards reduced benefit dependence began approximately 7-8 years ago. Although the statistics for these figures may lag, the prevailing evidence suggests that Skellefteå is poised to surpass the national average level by 2022. The increase from 2019 is partially attributed to the pandemic, with a more substantial impact observed nationally compared to Skellefteå municipality.

**Benefit dependency 20-64 years, %**



## Labor market and skills supply

As of January 2023, the overall unemployment rate stands at 3.4%, marking a significant drop of 1.1 percentage points, representing approximately a 25% reduction compared to January 2022.

Specifically, open unemployment in Skellefteå is at 1.6%, comprising 582 individuals. This indicates a notable decrease of 0.3 percentage points, equating to nearly 100 fewer people, in comparison to the corresponding period in 2022.

Open unemployment in Skellefteå is edging closer to a level almost half of the national average.

Due to the tight labor market conditions, a substantial influx of talent is essential to meet Skellefteå's upcoming skill supply requirements.

The participation rate in the Employment Service's program has also dwindled, standing at 1.7% in January 2023, notably below the national rate of 3.5%.

Percentage of unemployed, %	Skellefteå	The kingdom	Skellefteå	The kingdom
	January 2023	January 2023	January 2022	January 2022
<b>Total unemployment 16-64 years</b>	<b>3.4</b>	<b>6.5</b>	<b>4.5</b>	<b>7.2</b>
<b>Open unemployed 16-64 years</b>	<b>1.6</b>	<b>3.1</b>	<b>1.9</b>	<b>3.5</b>
<i>Of which women aged 16-64</i>	<i>1.4</i>	<i>3.0</i>	<i>1.6</i>	<i>3.4</i>
<i>Of which men aged 16-64</i>	<i>1.8</i>	<i>3.2</i>	<i>2.1</i>	<i>3.6</i>
<i>Of which foreign born 16-64 years</i>	<i>4.7</i>	<i>6.8</i>	<i>4.8</i>	<i>7.9</i>
<i>Of which young people aged 18-24</i>	<i>2.3</i>	<i>3.7</i>	<i>2.8</i>	<i>3.8</i>
<b>Participates in AF's program 16-64 years</b>	<b>1.7</b>	<b>3.5</b>	<b>2.6</b>	<b>3.7</b>
<i>Of which women aged 16-64</i>	<i>1.9</i>	<i>3.6</i>	<i>2.5</i>	<i>3.8</i>
<i>Of which men aged 16-64</i>	<i>1.6</i>	<i>3.3</i>	<i>2.7</i>	<i>3.7</i>
<i>Of which foreign born 16-64 years</i>	<i>5.8</i>	<i>9.0</i>	<i>8.7</i>	<i>9.7</i>
<i>Of which young people aged 18-24</i>	<i>2.6</i>	<i>4.1</i>	<i>4.0</i>	<i>5.3</i>

## Well-being Indicator

	Investment	A	Total	1-1 Education and childcare	1-2 Care and care	2-1 Job and career	2-2 Communication and infrastructure	3-1 Security and social problem
Luleå	1.0		100.0	4.2	2.5	4.0	3.4	4.4
Umeå	2.0		99.0	4.4	3.9	4.1	3.5	4.4
Täby	3.0		99.0	4.4	4.5	4.4	4.7	3.0
Lidingö	4.0		99.0	4.6	4.5	4.3	4.6	3.0
Karlstad	5.0		93.0	4.4	3.1	3.8	3.6	4.1
Mölnådal	6.0		92.0	4.3	3.8	4.2	4.4	3.3
Danderyd	7.0		91.0	4.6	4.6	4.5	4.7	2.5
Neck	8.0		90.0	4.6	4.6	4.3	4.5	2.7
Östersund	9.0		90.0	4.2	2.5	3.7	3.5	4.3
Solna	10.0		89.0	4.2	4.7	4.3	5.0	2.1
Linköping	11.0		87.0	4.3	4.2	4.1	3.8	3.1
Örnsköldsvik	12.0		87.0	2.9	2.7	3.3	2.9	4.4
Grove	13.0		86.0	4.6	4.1	4.3	4.0	3.4
Stockholm	14.0		86.0	4.5	4.7	4.2	4.9	2.0
Karlskoga	15.0		84.0	3.5	3.9	3.3	3.2	3.8
Skellefteå	16.0		84.0	3.0	2.9	3.8	3.0	4.4
Kalmar	17.0		83.0	4.3	3.1	3.6	3.6	3.9
Piteå	18.0		82.0	3.5	2.5	3.5	2.7	4.5
Staffanstorps	19.0		82.0	4.4	4.1	3.9	4.2	3.4
Sollentuna	20.0		82.0	4.3	4.5	4.1	4.7	2.2
Calyx	21.0		81.0	3.3	2.4	3.5	2.1	4.6

Skellefteå came in 16th place out of 290 in Fokus magazine's ranking of the best places to live in Sweden. The survey is based on a number of factors such as education, health and care, jobs, infrastructure and safety.



# Public Administration Group

## Employee Count

Towards the end of the year, the entire municipal group had approximately 9,500 workers, with 1,200 of them employed by municipally owned companies. In 2022, the municipality had an average workforce of slightly over 8,300 employees, indicating a near return to the pre-pandemic level. This period saw a decrease in staff, particularly in the category of temporary employees.

	<b>2022</b> Whole year	<b>2021</b> Whole year	<b>2020</b> Whole year	<b>2019</b> Whole year
Number of employees, municipality				
Number of permanent employees	7 327	7 238	7 281	7 292
Number of temporary employees with monthly salary	1 028	923	892	1 118
<b>TOTAL</b>	<b>8 355</b>	<b>8 161</b>	<b>8 173</b>	<b>8 411</b>
Of which men, %	26	25	24	24
Of which women, %	74	75	76	76

In 2022, the municipality saw a growth in its workforce by over 2%, marking a reversal from the two previous years of employee reductions. Nevertheless, the staff count has not yet fully reached the pre-pandemic levels. The most substantial increase, amounting to +128 employees, occurred within the preschool and primary school board. However, the overall rise in total work hours across the municipality was not as pronounced, only registering an approximately 1% increase.

Total hours worked, municipality	2022	2021	2020
Permanent employees	10 067 026	9 952 239	9 964 707
Hourly employees	674 058	777 701	790 729
Fixed-term employees	1 578 984	1 433 494	1 409 585
<b>TOTAL hours worked, municipality</b>	<b>12 320 069</b>	<b>12 163 434</b>	<b>12 165 021</b>

Assessing the precise origins of these changes poses a challenge. It is complex to discern the extent to which they can be attributed to the recovery post-pandemic or the population surge of nearly 2,000 residents between 2019 and 2022. Furthermore, additional variables, such as improved work methodologies and the consequences of heightened labor market mobility, also come into play.

#### Medical leave

In 2022, the rate of sick leave among municipal employees receiving monthly salaries experienced a slight increase, persisting at a relatively elevated level compared to the pre-pandemic period in 2019, when the sickness absence rate was 5.5 percent.

Sick leave continues to be more prevalent among women compared to men. For individuals on extended sick leave spanning 91 days or more, there was a minor increase, accounting for 2.1% of total working hours by the year's end. On the other hand, shorter sick leave periods, lasting up to 14 days, amounted to 4.2% by the end of the year.

Sick leave, proportion of working time, %	2022	2021	2020
Total sickness absence	7.30	6.84	6.96
Of which women	8.57	7.72	7.68
Of which men	5.15	4.30	4.81
Of which day 1-14	4.2	3.6	3.9
Of which day 91-w	2.1	1.8	1.5

# Description of the public administration group in Skellefteå municipality and its service mission:

**Municipal board:** Within Skellefteå municipality, the municipal board is the highest political body. Its main task is to make strategic decisions and manage the municipality's activities. They are responsible for planning and implementing the municipality's strategies, managing finances and developing overall policy.

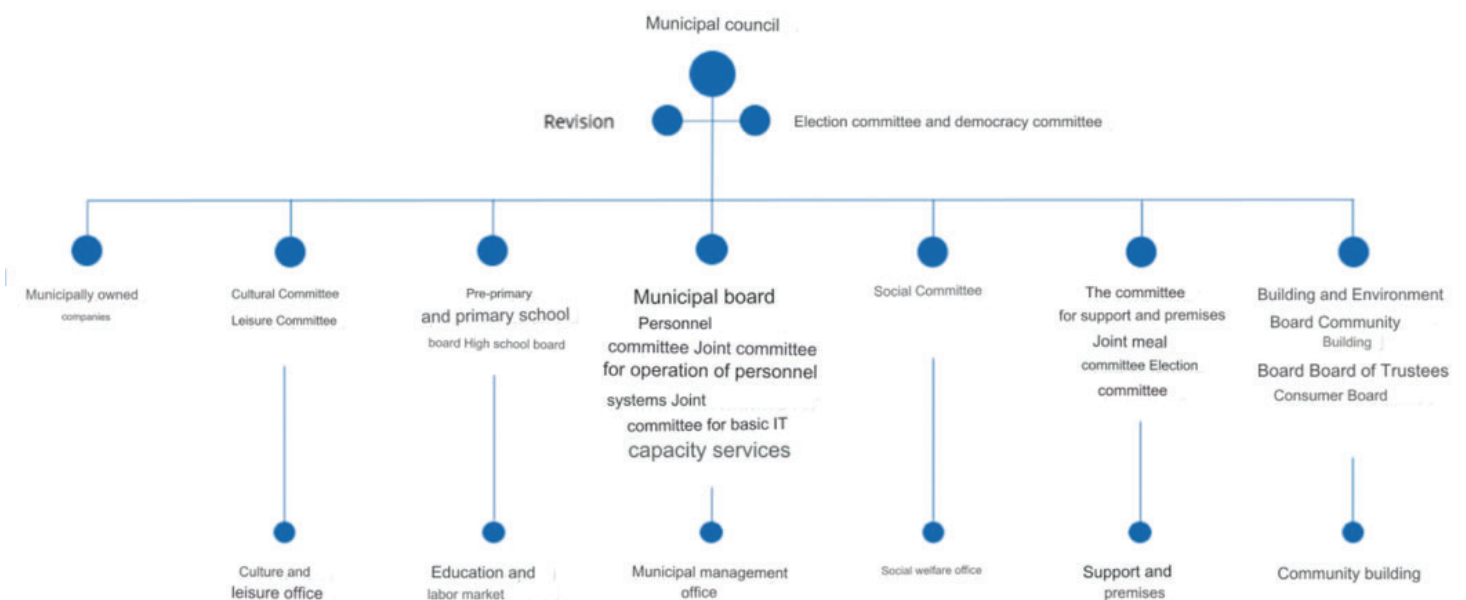
**Municipal administrations:** Skellefteå municipality has several different administrations, such as the Social Administration, the Education Administration and the Technical Administration. Each administration specializes in its area of expertise and offers services specific to that sector. For example, the Social Services Department offers social and care services, while the Education Department focuses on education-related issues such as schools and training.

**Municipal services:** Skellefteå municipality delivers a comprehensive range of services to its residents. These services can include everything from education and elderly care to water supply and waste management. The different services are carried out by different departments and specialists within the municipality, and their common goal is to meet the needs of the residents.

**Health care:** Within Skellefteå municipality, health care services are offered as primary care and health promotion initiatives. These services are often the result of cooperation with regional health authorities and aim to ensure that residents receive adequate medical care and health promotion activities.

**Technical and infrastructural services provided by the municipality:** Technical Administration is responsible for meeting the technical and infrastructure needs of the municipality. This task includes, for example, road maintenance, waste management, energy supply and urban planning to create a functional and sustainable urban environment.

These different components of public administration in Skellefteå municipality work together to ensure the well-being and development of the municipality and to meet a wide range of needs of its inhabitants. Their work is crucial to maintaining and improving the quality of life for residents.



## Private providers in municipalities

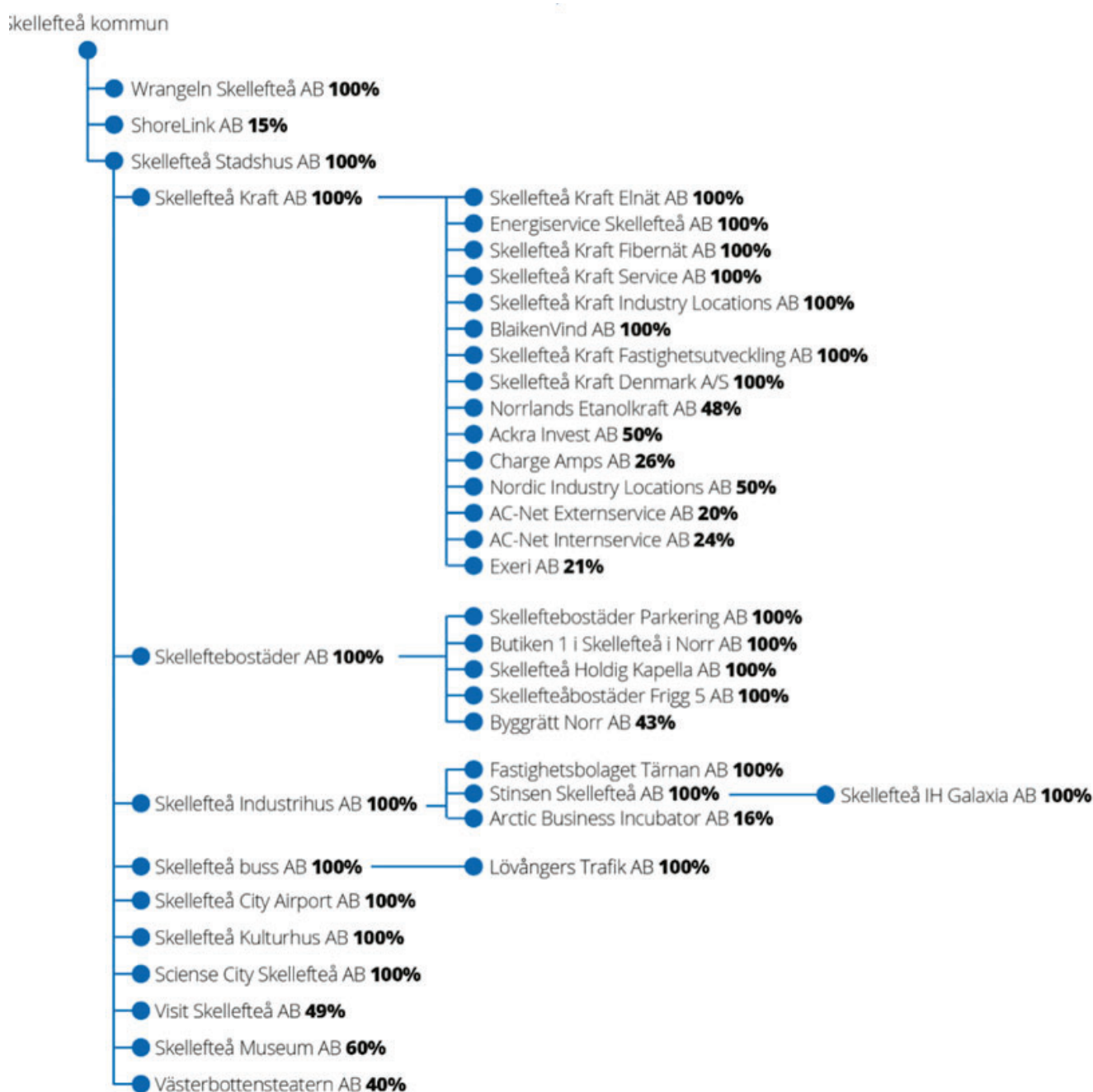
Private providers in pre-primary and primary education: Within the pre-primary and primary education board, private providers have a role in both pre-primary and primary education. They complement and contribute to the education of children in the municipality.

Private providers in secondary education: Within the secondary education board, private providers are also used to offer secondary education. These private partners are involved in providing students with opportunities for different educational pathways.

Private providers in civil engineering: The civil engineering committee cooperates with private providers when it comes to road management and maintenance of the municipality's road network. These private operators are involved in ensuring the functioning and safety of the infrastructure.

Private providers in the social services: The social welfare board uses private providers in individual and family care. This can include placement in family homes and contact families with the aim of supporting and caring for children and young people in need of protection and care.

This euphemism highlights how private actors collaborate with different councils within the municipality to complement and contribute to the delivery of services in different areas such as education, community development and social services.



### Governance of the group and the city:

Skellefteå municipality acts as the parent company within its group and is responsible for governing the various activities within the city. The municipality owns several subsidiaries and organizations that conduct various activities in areas that include education, healthcare, infrastructure and culture.

### City Council:

The highest decision-making authority in Skellefteå municipality is the municipal council. The council consists of elected representatives from different political parties and their main task is to make crucial decisions regarding the municipality's budget, policies and strategy. They hold regular meetings to discuss issues, motions, resolutions and interpellations, and their decisions set the guidelines for the municipality's activities.

### Municipal Board:

The municipal board acts as the executive authority responsible for implementing the decisions of the municipal council and running the day-to-day operations of the municipality. It is usually chaired by the municipal council and consists of politically appointed officials responsible for different portfolios, such as finance, social services, education and technology.

### Internal organization chart:

Within Skellefteå municipality, there are several departments and project managers who have specific responsibilities and projects. These include officials who lead different sectors and services within the municipality. A detailed organizational chart can usually be found on the municipality's official website or in internal documents and is helpful in clearly showing the division of responsibilities within the organization.

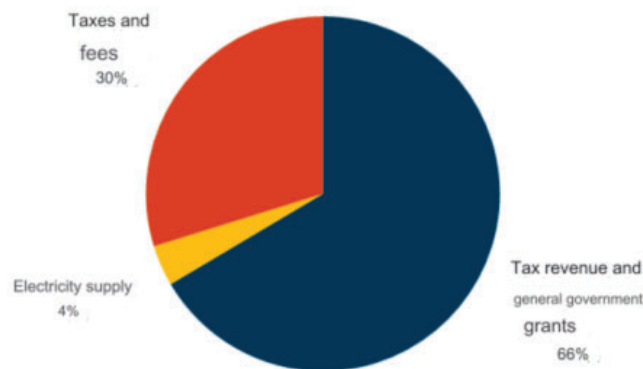


# Consolidated Financial Statements

Where does the municipality's income come from?

In 2022, tax revenue and revenue from general government grants constituted the municipality's (excluding municipally-owned companies) primary income source, accounting for 66 percent of the total revenue. Business-related income made up 30 percent of the income, encompassing revenue generated from rates and fees charged for services within specific sectors like water, sewerage, cleaning, elderly care, childcare, leases, among others. Additionally, business-related income includes targeted state grants that these sectors can independently apply for.

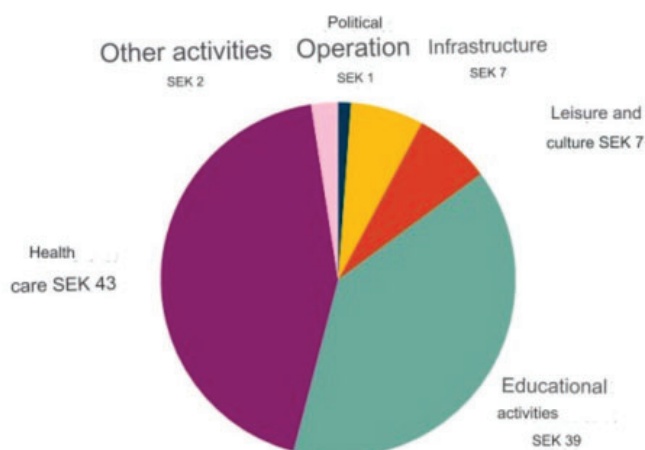
A smaller portion of the municipality's income, about 4 percent, was attributed to the municipality's energy operations. Occasionally, in certain years, the municipality might also receive non-recurring income, such as capital gains and extraordinary income, but these are not represented in the diagram below.



One hundred Swedish kroner in municipal tax

Out of SEK 100 of municipal tax revenue, the largest share, just over SEK 82, is allocated to support activities within schools (pedagogical activities), care, and social care. Approximately SEK 7 is directed towards Leisure and culture, with a similar amount dedicated to Infrastructure. It's worth noting that in the case of infrastructure, these costs are net costs, and the actual scope of the Infrastructure sector is significantly larger than Leisure and culture. Many activities within the Infrastructure sector are funded through user fees, such as water and sewage services, cleaning, and more.

Approximately 1 percent of the total sum is used for purely political activities, including fees and related expenses.



# Overview of the development of the business

## Skellefteå municipality in summary (5 years)

Municipal corporation	2022	2021	2020	2019	2018
Operating income, SEK m	9 772	9 215	5 595	6 398	6 517
Operating costs, SEK million	12 242	10 841	8 809	9 853	9 626
Profit for the year, SEK million	1 745	2 293	123	200	443
Equity ratio, including pension obligations, %	42	42	35	36	36 No
Net investments, SEKm	2 952	2 354	2 271	2 697	1 998
Self-financing rate, %	100	100	57	58	50
Loan debt, SEK m	7 063	7 288	9 688	8 713	7 570
Other long-term liabilities	2 206	912	416	365	359
Average number of employees	9 519	9 264	9 226	9 341	9 326

The municipal group reported an unusually large surplus of SEK 1,745 million. This significant surplus is primarily attributed to exceptional results in the energy business, which had a notable impact on both the municipality and the municipal group's overall financial performance.

Over the past five years, there have been substantial investments in both the municipality and municipally owned companies, amounting to billions of dollars. These investments encompass various sectors, including electricity grids, hydropower, ports, infrastructure, as well as considerable spending on school facilities and cultural and leisure amenities.

A substantial portion of these investments has been made to facilitate the establishment of new industries and to accommodate the city's growth. Notably, over the last two years, all these investments have been financed using internal resources, thanks to the strong financial results. Additionally, there has been a reduction in loan debts compared to the previous year.

While the equity ratio in the municipal group remains unchanged, the municipality's equity ratio has experienced a slight decrease. This is despite the reduction in loan debts and the favorable financial results. The decrease in the municipality's equity ratio is a result of a comprehensive review of lease agreements, leading to more accurate accounting and an increase in financial leasing on the balance sheet (recorded as other long-term liabilities).

Despite the substantial investments made over the past five years, Skellefteå municipality maintains a robust financial position, providing a solid foundation to meet the future investment requirements that arise from the city's continued growth.

### Investments and financing

The municipal group made significant investments in tangible fixed assets, totaling SEK 2,952 million. Out of this amount, SEK 2,152 million was allocated within the City Hall Group, and the remaining SEK 800 million was invested within the municipality itself. These investments represent the highest level of investment in a single year in the history of the municipal group.

## Budget compliance

### The municipality City Hall Group

In 2022, the City Hall Group had a profit budget of SEK 487 million (profit before tax). However, the actual outcome for the year exceeded expectations, reaching SEK 1,236 million, resulting in a positive deviation from the budget of SEK 749 million.

The most significant budget deviation, amounting to a surplus of SEK 812 million, was attributed to Skellefteå Kraft AB. This surplus was primarily driven by higher production volumes, production optimization, elevated electricity spot prices, and successful financial trading in the volatile electricity market throughout the year.

Skelleftebostäder delivered a stable result, aligning with the budget. Meanwhile, Skellefteå Industrial Building's result was slightly below the budgeted figure. This deviation was a consequence of final settlements with the contractor Hent regarding the Kulturhuset and the Hotel property.

Despite a quicker-than-expected recovery after the pandemic, Skellefteå bus experienced a negative budget deviation of around SEK 30 million. Efforts are underway to develop a new agreement and compensation system for the transportation services that the municipality procures.

Skellefteå City Airport achieved a positive budget deviation of nearly SEK 17 million, primarily attributed to the government's decision to provide an additional operating subsidy of SEK 100 million to regional airports. Skellefteå Airport received SEK 9.4 million of this additional subsidy.

On the other hand, Skellefteå Kulturhus AB reported a deficit of approximately minus SEK 30 million, which represents a negative deviation of around SEK 20 million from the budget. The main contributing factors to this deficit include the business's inability to generate the projected revenue. This was influenced, in part, by the lingering effects of the Covid-19 pandemic, which led to restrictions in early 2022. Additionally, the deficit can be attributed to ongoing business development efforts, including the coordination and consolidation of newly relocated businesses in the Sara cultural center. It's important to note that the group's smaller companies have maintained good budget compliance.

## The municipality

The municipality achieved a remarkable result of SEK 901 million, surpassing the budget by a substantial SEK 800 million. The primary driver of this budget deviation can be attributed to the municipal board's operations, primarily due to increased rental income from the leasing of hydropower plants to Skellefteå Kraft. The municipality also realized significant revenues, nearly SEK 100 million more than budgeted, from the sale of land and plots.

Moreover, the tax outcome exceeded the budget by more than SEK 140 million, largely owing to the municipality's robust development and the economic downturn not being as severe as initially anticipated during the pandemic's onset. The municipality also received an additional state grant during the year to cover the anticipated increased costs resulting from the ongoing pandemic, amounting to SEK 33 million.

However, despite the overall positive budget deviation, two committees reported more substantial deficits. The Social Committee reported a deficit of approximately minus SEK 93 million. These financial challenges primarily stem from the ongoing impacts of Covid-19, with notable costs incurred to prevent the spread of infection and ensure the delivery of safe and secure care and support during the pandemic. These additional expenses total SEK 33 million, primarily due to increased sick leave costs and expenditures related to protective equipment. The Social Welfare Board also faced excess costs, including approximately SEK 25 million related to postponed holidays and an additional SEK 30 million spent on overtime to address the staffing shortages.

The Social Development Board reported a deficit of around minus SEK 27 million, primarily due to significantly increased prices for electricity and diesel, impacting various sectors. Within the rescue service, new legislation raised the level of ambition, resulting in higher costs. The port operations also reported a deficit due to lower revenues, attributed to reduced container handling volumes and fewer shipments than expected by Northvolt. The port managed this deficit using its own capital, which consisted of funds saved from previous years. For more detailed information, you can refer to the annual reports of the committees and municipally owned companies.



# Description of Major Policies

It highlights areas that are particularly important in terms of performance and financial position.

## Risks and risk management

- national and local developments
- Population development and demographics
- Labor market and skills supply
- Housing supply
- Combating welfare and other financial crime
- Significant agreements and regulatory changes
- Municipal taxes
- Pension obligations
- Financial risks
- Sensitivity analysis

## Financial risks

Risk	Comment
Interest rate risk	The risk of tying up too large a portion of deposits to a high fixed interest rate in the event of a falling interest rate situation, or the risk of rapid interest rate increases in the event of a high proportion of variable interest rates. The interest rate risk is managed by spreading the interest maturities in the debt portfolio over time. Most of the fixed interest rate is distributed relatively evenly within a 5-year period. The fixed interest rate must be between 1.5 - 4 years on average. The market situation affects the current fixed interest rate. To ensure that costs are as predictable as possible, the share of variable interest in the debt portfolio may amount to a maximum of 40 percent.
Financing risk	The risk that the group cannot raise its loans when desired or that the cost of financing increases sharply. The financing risk is managed by spreading the loan maturities evenly over a 5-year period for the most part. The capital tie-up of the loan must be between 1.5-4 years on average.
Counterparty risk	The risk that a counterparty cannot fulfill its obligations in a financial contract. The counterparty risk for all external financing is reduced by only having counterparties with good creditworthiness. Businesses with derivative instruments are also spread over several counterparties. Framework agreements must be in place before derivative transactions may be made. All counterparties must have a minimum credit rating of A according to Standard & Poor's rating. If the market situation permits, the direction is to choose loans with a fixed interest rate instead of purchasing derivative instruments.
Currency risk	The risk that the value of a foreign currency changes in relation to the Swedish krona. The currency risk is limited by not taking out loans in foreign currency. All deposits or payments that take place in foreign currency over the equivalent of SEK 500,000 (SEK) are forward hedged as soon as the flows are known. Currency positions may be open when there is knowledge that flows in foreign currency will be received or paid out in the next month.
Administrative risk	The risk that those who carry out financial transactions make mistakes or irregularities. The administrative risks are minimized through appropriate organization, ongoing training of the board and staff, reliable administrative systems and otherwise good internal control. The finance department of Skellefteå Municipality and Skellefteå City Hall is organized into so-called Front Office and Back Office. This means that the Front Office does the financial transactions while the Back Office registers and checks that the transactions comply with agreements and guidelines. In this way, a good internal control is created.

# Sensitivity analysis

Area	Municipal group	Municipality
Interest rate change on variable loans by 1%, SEK million	71	18
Salary increase by 1%, SEK m	53	44
Changed debiting by SEK 1 million	185	185
Revenue increase at 500 new residents, tax revenue and general state grants, SEK million	37	37
Change in income from general state grants by 1%, SEK million	12	12
The business's revenue changes by 1%, SEK million	98	24
The subsistence allowance changes by 10%, SEK million	6	6
Cost of a pupil in preschool, SEK 000/year	160	160
Cost for a student in primary school, SEK 000/year	113	113
Cost of a student in upper secondary school, SEK 000/year	136	136
Cost for a resident with home care interventions elderly care, SEK 000/year	367	367
Cost for a resident with special residential care for the elderly, SEK 000/year	1 009	1 009

# Methodological Note

Throughout the year, there have been certain developments concerning the group's financial structure, and these changes can be summarized as follows:

The municipality has enacted a decision that defines the criteria for asset categorization. For an asset to be broken down into individual components, its acquisition value must be no less than SEK 2 million, and the value of each individual component must be at least SEK 200,000.

Borrowing costs are allocated to the financial results for the period when they are incurred.

The group employs the linear depreciation method, which involves equal nominal amounts of depreciation every year. Depreciation commences once the asset is put into service.

Assets with an anticipated economic life of at least three years and a value exceeding half of a price base amount (exclusive of VAT) are categorized as fixed assets. Additionally, a collective acquisition of equipment and capital assets with a total value surpassing two price base amounts is also classified as a fixed asset. This same threshold applies to financial leases.

Furthermore, when determining the preparation time for a fixed asset, estimated working hours, in cases where time tracking was not conducted during the year, have been included in the acquisition value.



Liabilities, provisions, and pension obligations encompass various financial aspects. Investment grants and connection fees are categorized as long-term liabilities and are gradually accrued over the asset's useful life. According to RKR R2, when it comes to public grants related to investments, the income must be recognized in a way that aligns with the asset's useful life.

The municipality's pension liability is reported in accordance with the statutory mixed model. This implies that all pension benefits earned before 1998 under prior pension agreements are listed as contingent liabilities, and payroll tax is also factored into this category. Payments for pension benefits accrued before 1998 are treated as expenses in the income statement (as indicated in note 23).

On the other hand, retirement benefits earned through pension contracts starting from 1998 are both expenses in the income statement and provisions on the balance sheet. Additionally, a provision is established for special payroll tax, equivalent to 24.26% of the accrued pension provision (refer to Note 18).

It's noteworthy that the municipality does not maintain managed pension funds or allocate funds to foundations. The determination of the overall commitment has been performed by Skandia, following the Guidelines for Calculating Pension Liability (RIPS 17). The reported costs are accrued, meaning that they are assigned to the year in which they are relevant to when the benefits were earned.

Pension commitments for individuals employed by municipally owned companies are reported in accordance with K3, BFNAR 2012:1. When calculating the equity ratio of the municipality and the municipal group, the entire municipal pension liability is taken into account, including the portion that remains off the balance sheet.

Liabilities, provisions, and pension obligations are accounted for in the financial statements as follows. Investment grants and connection fees are categorized as long-term liabilities and are amortized over the useful life of the associated assets. This means that the income from these grants is recognized in a way that corresponds to the asset's useful life, in accordance with RKR R2. The municipality's pension liability is reported using the statutory mixed model. Pension benefits earned before 1998 under previous pension agreements are treated as contingent liabilities, with payroll tax included. Payments for these benefits are recognized as expenses in the income statement.

Retirement benefits earned under pension contracts starting from 1998 are recognized as both expenses in the income statement and as provisions in the balance sheet. Additionally, a provision is created for special payroll tax, which amounts to 24.26% of the accrued pension provision.

The municipality does not manage pension funds in the form of investments or contributions to foundations. The total pension commitment is calculated according to guidelines, and costs are accrued, aligning them with the year in which the benefits were earned.

Pension commitments for individuals employed in municipally owned companies follow K3, BFNAR 2012:1 guidelines.

When calculating the equity ratio for the municipality and the municipal group, the entire municipal pension liability, including the off-balance sheet portion, is taken into account.

Salaries include a personnel cost surcharge of 39.75%, covering social contributions and pension costs.

Tangible and intangible fixed assets are depreciated based on their actual cost.

Internal service units charge activities at cost, and common central administration functions like finance, personnel, and procurement are not allocated to specific operations.

Items that have a significant impact and are not part of regular operations are reported separately in the income statement notes. Items that rarely occur and exceed SEK 10 million are considered as affecting comparability. This includes the reporting of capital gains/losses and income/costs related to plot sales in land development projects.



# Dissemination Plan

The popular finance report is open for the public and is always published on the Skellefteå municipality's website. It's usually published in May but can vary a little depending on when all the information has been received.

## **Intellectual Capital:**

### Educational institutions

Skellefteå Municipality has a well-developed education system, including preschools, primary schools, and high schools, along with adult education and a labor market unit. The administration's challenges in the coming years revolve around capacity, competence, and quality.

Skellefteå Municipality is planning investments of 1.3 billion SEK for preschools and primary schools from 2023 to 2027. Currently, Skellefteå Municipality operates 82 preschools, 29 primary schools, 40 after-school centers, three high schools, and municipal adult education.

The municipality offers adapted primary and high school programs for students with intellectual disabilities. Adult education is provided at Campus Skellefteå and includes basic, high school, vocational, and Swedish for immigrants (SFI) courses.

The labor market unit, within Skellefteå Municipality, coordinates summer activities and employment initiatives. The administration also has central support functions, and it operates under two separate boards: the Preschool and Primary School Board and the High School Board. The head of administration is Ana-Maria Stridsberg Deliv.

### Research and innovation

The Wood Innovation Cluster, established in 2017, is a pioneering initiative that bridges historical knowledge with contemporary high-tech expertise in the wood industry. Within this cluster, a diverse array of companies coexists with leading-edge wood technology research, educational programs geared towards the future, and advanced testing activities.

The primary aim is to showcase innovative ways in which wood can be transformed, promoting its usage in novel applications. Notably, the cluster seeks to engage the public sector and encourage them to be more receptive to wood-based solutions. In essence, this collaboration brings together key stakeholders in the wood industry, fostering regional growth and reaffirming wood's central role in the region's development, harkening back to its historical significance.

The project Collaboration Agreement for Educational Providers at Campus Skellefteå plays a significant role in the development of intellectual capital. We aim to meet society's need for innovative education, applied research, and sustainable learning. We foster an environment that encourages collaboration and the exchange of ideas, promoting intellectual capital in the form of new products, services, and businesses.

Within the agreement, our responsibilities at Campus Skellefteå include providing the necessary infrastructure and logistical support for educational initiatives. We also play an active role in promoting these educational offerings and ensuring that they are effectively communicated to the target audience, thereby contributing to the intellectual capital of the region.

As education providers, we are responsible for maintaining a reputable educational program, actively attracting students, and disseminating information through digital channels. Our role contributes to the intellectual capital by delivering quality education and effectively marketing the opportunities offered by Campus Skellefteå. Overall, this collaboration enhances intellectual capital through knowledge exchange, innovation, and education.

The North Sweden Green Deal (NSGD) project is focused on addressing the green transition taking place in Northern Sweden, specifically in Norrland and Västerbotten. The project is partially funded by the European Regional Development Fund with 56 million Swedish Kronor (SEK). The total budget for the entire project amounts to over 112 million SEK, jointly owned by Region Västerbotten and Region Norrbotten. NSGD is ongoing throughout 2022 and will conclude in August 2023. The municipality of Skellefteå is providing an additional 20 million SEK in co-financing for the project. This collaboration with Region Västerbotten has created opportunities for Skellefteå municipality in both the areas of talent attraction and talent development. The project also includes supportive measures for the ongoing societal transformation, which, among other things, will allocate additional resources to efforts aimed at attracting people to Skellefteå.

### A Leader in Cleantech

Skellefteå is actively involved in the North Sweden Cleantech project, a regional platform for innovation and exports in green technology, clean energy, and sustainable solutions from the regions of Västerbotten and Örnköldsvik.

The cultural sector  
7% of the 2022 budget goes to the cultural and leisure sector.

#### Collaboration agreement with SBB

In February 2022, we finalized an agreement with SBB (Samhällsbyggnadsbolaget) for the transfer of ownership of the Kulturhuset and Hotel (Elit). These properties were held under the company Skellefteå IH Fastigheter AB, previously owned by Skellefteå IH Holding AB. On the date of transfer, SBB acquired all the shares in Skellefteå IH Holding AB.

#### Leisure and Cultural bank

In a joint decision with the Social Services Committee and the High School Committee, we launched a Leisure Bank and Culture Bank in Skellefteå. The operation opened its doors to the public in December 2022.

#### Sara cultural center achievements

Sara Cultural Center received recognition with awards such as the "International Award for Wood Architecture" in April 2022, competing with timber buildings from around the world. In November/December 2022, it received the "World Architecture Festival" award in Lisbon as the best completed building in the cultural category. Additionally, Skellefteå was featured in TIME Magazine's "World's Greatest Places 2022" list, thanks to a press collaboration between Visit Skellefteå, Swedish Lapland, and Visit Sweden.

#### Skellefteå cultural center Activities

For Skellefteå Cultural Center, the year offered a wide range of cultural activities. Various sectors, including theater, museum, culture, and the library, alongside a significant portion of Sweden's top artists, conducted their activities and concerts in the facility.

#### Visit Skellefteå AB

Committed to ensuring the company's financial stability and the long-term security of its operations, Visit Skellefteå AB focuses on environmental, social, and economic sustainability. Their dedication extends to fostering sustainable development in commerce and the local tourism industry, making them a driving force behind responsible and prosperous community growth. In collaboration with various stakeholders, Visit Skellefteå AB actively works to attract more meetings, conferences, and events to Skellefteå, enhancing the region's appeal as a premier destination.

#### Västerbottensteatern AB

Committed to excellence, diversity, and accessibility, Västerbottensteatern AB promotes high-quality performances and fosters a rich cultural tapestry. They prioritize storytelling as a medium of creative expression and work to facilitate cultural exchange through collaboration and guest performances at regional, national, and international levels. Their focus on innovation and accessibility enhances professional theater and performing arts. Engaging with residents, especially children and youth, Västerbottensteatern AB plays a vital role in making culture an integral part of community life.

#### Skellefteå museum AB

With a focus on enriching the experience for children and youth, Skellefteå Museum AB prioritizes them as a key audience. The museum's reach extends far and wide, thanks to Museum Anna Nordlander (MAN), which disseminates knowledge about contemporary art and gender issues to a diverse audience. This institution is dedicated to local history research, forging collaborations with various organizations and institutions on regional, national, and international scales. By partnering with cultural entities and businesses, Skellefteå Museum AB strives to enhance its overall appeal. Their mission is to revitalize cultural heritage, with a special focus on the northern part of the county, while also bearing the regional responsibility for industrial and technical history post-1900.

#### Skellefteå Kulturhus AB

Collaborating with tenants and visitors, Skellefteå Kulturhus AB aims to develop the Sara Cultural Center into an appealing, well-visited, and sustainable facility. Their core objective is to achieve a balanced budget by the end of 2026, ensuring long-term viability. They emphasize low environmental impact and active engagement in environmental and climate considerations across all operations. The company faces pandemic-related challenges, leading to a deficit of -30 million SEK, deviating from the budget by approximately -20 million SEK. This highlights the resilience needed to navigate evolving cultural landscapes

## Startups and entrepreneurship

### New businesses

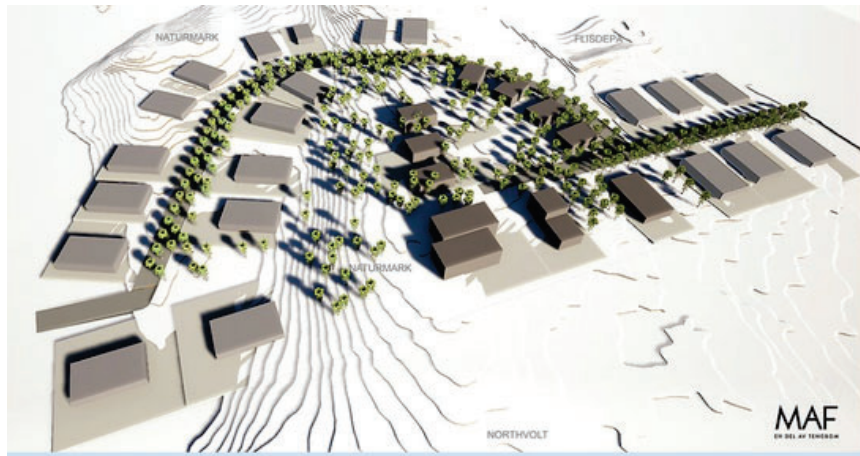
The number of registered new businesses in Skellefteå with an F-tax certificate is 364 in 2022, 397 in 2021.

### Northvolt one

Skellefteå and northern Sweden are at the forefront of Europe's green transformation. Our thriving business sector is already a leader in various industries. We are witnessing a growing interest from larger companies looking to establish a presence in the region. In 2019, construction began on Northvolt One, expected to create approximately 3,000 job opportunities in Skellefteå, with many more indirectly. This points towards a growing population and a substantial increase in the demand for educational opportunities across both established and emerging industries in Skellefteå.

### Bergsbyns business park

An investment of 69 mkr will go into the development of a sustainable business park in Bergsbyn, marking a significant step in the expansion of Skellefteå's eastern region. With a focus on sustainability and complementing existing heavy industries, this initiative will offer services to both businesses and the local community. The project, involving approximately 30 industrial lots, aligns with Skellefteå's commitment to sustainability, drawing from past experiences and insights to continually enhance its sustainability efforts. The certification through CEEQUAL underscores the dedication to economic, ecological, and social sustainability. This collaborative effort between Skellefteå Municipality and NCC holds great promise, further enriching the industrial landscape in the area while setting an inspiring precedent for the construction industry.



### Human Capital:

The figures have been consistently increasing for an extended period. In 2022, Skellefteå municipality saw a population growth of 1009 individuals, marking the first time in 50 years that the annual increase exceeded 1000 people. As of the year's end, the population had reached a total of 74,402 residents.

The average age in the municipality is 43.6 years, and the median income is 313,162 SEK per year. The percentage of highly educated individuals in Skellefteå is 25.2%, with an employment rate of 83.8%. The proportion of entrepreneurs is 4.6%, while the rate of new business startups is 9.2%. The unemployment rate is 3.8%, with 5.4% of individuals on early retirement and 13.3% reliant on various forms of financial assistance. The number of employees in the municipality amounts to 8,975 individuals.

The substantial demand for labor, coupled with the limited available workforce in Skellefteå, has given rise to the municipality's most pressing issue, which revolves around talent acquisition. This challenge is not unique to the municipality but is also faced by other businesses and organizations operating in Skellefteå. As a result, a significant portion of the municipality's future endeavors will be dedicated to drawing in a skilled workforce to Skellefteå, both to serve the municipality and support local organizations. Despite notable population growth, there remains a necessity for an even larger influx of individuals from both abroad and other regions of Sweden. Consequently, the municipality has intensified its initiatives to entice people to make Skellefteå their preferred place of residence.

The unemployment rate in Skellefteå is steadily decreasing and is now approaching a level that is 50 percent lower than the national average, affirming the municipality's robust progress. All indications point towards this positive trend persisting, distinguishing Skellefteå from the rest of Sweden, where forecasts predict a rising unemployment rate. The rising employment rate among the municipality's residents also reflects increased prosperity, which can be gauged by assessing the residents' reliance on various forms of financial support, including unemployment benefits, economic assistance, sick leave, and disability benefits. This encouraging trend of reduced dependence on these support systems began about 7-8 years ago and continues to this day. Most metrics now suggest that, in 2022, Skellefteå has exceeded the national average.



## Natural Capital:

Skellefteå is the largest coastal municipality in Norrland and Sweden in terms of land area, spanning over 7,200 square kilometers. Among Sweden's 290 municipalities, Skellefteå ranks as the twelfth largest in land area. With a population density of 10.7 residents per square kilometer, Skellefteå is a municipality renowned for its abundant natural beauty, including a 360-kilometer long coastline and 1,500 lakes.

Skellefteå serves as the epicenter for sustainable progress. It's home to leading businesses and groundbreaking innovations in eco-friendly construction, renewable energy, responsible resource extraction, and metal recycling. The natural elements, from the river's currents to the force of the wind, the lush forests, and the treasures within the mountains, make nature our most precious asset.

The financial results for the municipal group were unusually robust in 2022, primarily attributed to the energy sector's excellent performance, driven by both high electricity prices and strong electricity production. These resources can now be allocated to sustainable energy investments and furthering the green transition.

### Sustainability-Checked Destination

Back in 2016, Skellefteå underwent an evaluation as a destination, adhering to the criteria established by the Global Sustainable Tourism Council (GSTC), and it remains compliant with these standards today. GSTC represents a worldwide benchmark for sustainable tourism, aligning with the United Nations' global objectives. The findings from this assessment continue to inform our continuous sustainability endeavors. We also subject our member companies to sustainability assessments concerning their sustainability initiatives. Upon successfully completing a thorough evaluation, they are granted the

"Västerbotten Experience" certification – a recognition for sustainable natural and cultural experiences in Västerbotten.

### A City with the Tap Water Seal

In Skellefteå, we prioritize tap water over bottled water. We proudly hold the "Kranmärkt" national sustainability label, introduced by Svenskt Vatten, which acknowledges businesses that opt for tap water instead of bottled water. Through "kranmärkning," we showcase our dedication to a healthier environment and encourage others to make the same choice of tap water.

### Unifying for Climate-Neutral Cities

Skellefteå is a participant in Viable Cities, a joint initiative that includes other cities, municipalities, businesses, academia, civil society, and government agencies. Their shared objective is to expedite the transition towards climate neutrality and to establish environmentally, economically, and socially sustainable urban environments. These are cities that not only function effectively for their residents but also promote the well-being of their citizens, businesses, and the overall economy, all while actively contributing to climate protection and the well-being of our planet.

### Increased delivery security Ursviken-Skelleftehamn

The project's objective is to improve the reliability of the drinking water supply for Ursviken/Skelleftehamn. In 2022, the Water and Wastewater Department, in partnership with Skellefteå Kraft, conducted investigations and partially planned the co-location of the water pipeline with their district heating pipeline. The study and internal deliberations have indicated that an alternative route is the preferred option. Consequently, the new course for the drinking water pipeline will be assessed and planned during 2023.

### Finnfors Hydroelectric Plant

The prevailing global circumstances have posed challenges in ensuring punctual material deliveries. Consequently, the installation and commissioning of equipment for unit G1 were completed in 2022, while the equipment for unit G2 is scheduled for installation in 2023. The implementation of unit G1 has been accomplished successfully. However, technical complications and alterations in project scope have resulted in increased costs for Finnfors G6. An additional work package is currently underway to bring the project to completion.

### Port Crane

The acquired harbor crane operates solely on electricity and is also equipped to run on battery power. This marks Port of Skellefteå as a pioneering entity, likely being the world's first to possess a fully electric crane of this nature. The crane was delivered in December 2021 and was installed and put into service during the first quarter of 2022.

### Reduced Environmental Impact - Skellefteå Kraft

Our direct fossil emissions stem from the combustion of peat and oil in our district heating production. In 2022, the production mix comprised 3.7% peat (down from 5.9%) and 0.6% oil (down from 0.9%), amounting to 17,267 tons of CO<sub>2</sub>. The combustion of biofuels in our district heating production generates biogenic emissions, which totaled 303,133 tons of CO<sub>2</sub> in 2022. Throughout 2022, our facility has maintained good operational availability without any unplanned interruptions. This has resulted in reduced oil consumption over the year and less peat burned compared to the previous year. Furthermore, it has been a milder year, leading to decreased demand for peak-load operations (oil-fired boilers).

## **Productive Capital:**

Transaction-based services

Public Bus traffic

Skellefteå has prioritized the development of an attractive and eco-friendly public transport system. With nine out of ten Skellefteå residents enjoying easy access, this integrated network connects both regional and local transportation, optimizing travel options across the entire municipality. Skellefteå 2030's goal of doubling public transport usage hinges on the provision of an appealing and accessible system, ensuring a vast range of routes, consistent routes, uncomplicated schedules, and swift transfer opportunities in the city center. By aligning bus schedules with work commutes, we aspire to make bus travel a more natural alternative to private vehicles.

This, in turn, conserves resources, reduces congestion, and enhances the overall travel experience. Accessibility is paramount, with vehicles and bus stops undergoing modifications to ensure inclusivity.

Our buses adhere to the industry's accessibility standards (Bus Nordic 2018), and regional buses are equipped with lifts and ramps. Our newest buses even feature rear-facing child seats for added safety. In the city's local traffic, low-floor buses with digital displays and stop announcements enable passengers to track their journey. Additionally, we've introduced Line 9, a service route covering the hospital, city center, Moröhöjden, and Solbacken. Our commitment to regular stop upgrades considers both economic and time constraints, improving the safety and security of the entire journey.

Adhering to guidelines that specify a maximum of 400 meters between city stops (2 km for rural areas), we've relocated or removed some stops to ensure smoother bus travel and increased passenger comfort. These adjustments also contribute to safer traffic conditions for both bus riders and pedestrians or other vehicle users.

In terms of environmental responsibility, Skellefteå has set rigorous standards for our buses. By 2030, all buses will operate on environmentally friendly fuels, promoting better air quality. Currently, most buses are powered by biogas produced at our local biogas facility in Tuvan. Streamlining routes and clear guidelines on distances between bus stops result in smoother rides with fewer stops, ultimately reducing emissions.

Skellefteå is committed to productive capital that enhances the travel experience, encourages eco-friendly transportation, and ensures a brighter, cleaner future for all.

## Road construction and maintenance

### Central City Street and Water Infrastructure Traffic Solution

This initiative kicked off with a comprehensive project plan covering the street and water and sewer network, extending from Kanalgatan in the north to Skråmträskleden in the south, passing through the southern section of Lasarettsvägen. The actual reconstruction is being implemented in several phases. Throughout 2022, roadwork on Södra Lasarettsvägen has seen continuous progress, and construction on the Kanalgatan roundabout has commenced. The roundabout project also involves substantial utility adjustments. Due to the project's alignment with the Swedish Transport Administration's traffic redirection requirements, the project's full completion, including landscaping and adaptations for the new bridge, is expected in 2023.

### Investment in infrastructure'

This investment is specifically designated for co-funding Trafikverket's projects associated with the construction of the Norrbotnia Railway and transportation center. It encompasses funding for the passage at the transportation center, passage at Lasarettsvägen, and platform connections at Lasarettsvägen.

### Karlgårds Bridge

Karlgårds Bridge is under construction as an extension of Södra Lasarettsvägen, designed for urban traffic with a strong focus on pedestrians and cyclists, featuring a prominent wooden profile. By mid-year, the construction of the temporary pile bridge was completed, and detailed planning was ongoing. The contractor has revamped their site management and added more expertise to the team, which is viewed positively by the municipality. However, this may affect the project's timeline, and negotiations are ongoing to address this.

The contract for Karlgårds Bridge follows the industry-standard ABT 06 agreement, allowing for price adjustments due to abnormal and unforeseeable deviations significantly affecting the contract. The contractor has indicated their intent to invoke this clause, primarily due to recent unexpected price increases, potentially leading to increased project costs. Negotiations continue until all conditions are known, making the project's forecast uncertain.

Based on the present factors, the project budget remains stable, contingent on the municipality receiving the full approved investment grant of SEK 72.5 million, equivalent to 25% of the expenses. However, the forecast carries a high level of uncertainty, primarily due to escalating raw material prices and the unpredictable global situation's impact on input material deliveries.

### Urban Redevelopment Street Transformation

The entire project involves the revamping of street areas to the east, south, and west directly adjoining the Sara Cultural Center, in line with the approved detailed development plan from 2016. A strong emphasis is placed on adhering to the plan, with a focus on enhancing accessibility and safety. Priority is given to pedestrians and cyclists, and pathways for both are being clearly defined. In 2022, the area south of the cultural center saw the installation of ground heating, a luminous pergola, bicycle parking facilities, seating zones, and greenery. The final stage, the reconstruction of Trädgårdsgatan, began after utility work was completed at the turn of 2021/2022.

### Bergsbyn/Hedensbyn Industrial Area and Bergsbyn Detailed Plan Initiatives

The extension of Torsgatan and the upgrade of the area's water and sewer infrastructure have been successfully finalized, although challenging ground conditions, water-related issues, and traffic disruptions posed additional costs and project delays. The estimated budget for completing the Bergsbyn/Hedensbyn Industrial Area stands at 130 million SEK. Moreover, two new bus stops have been incorporated as part of the project. Additionally, the construction of a new roundabout to connect Torsgatan and Bergsbyvägen to Road 372 has been successfully completed.

### Falkträsket South, with New Water and Sewer Lines

Extra costs have arisen during the project's progression. This was due, in part, to the necessity of extending the road to the preschool site situated to the east of Falkträskvägen. Additionally, adjustments were made to the location of Dansgatan based on feedback from nearby residents. Expenses were also incurred for the construction of bridges over Falkträskbäcken, surpassing the initial estimates. At present, only minor tasks remain in the area, and all plots have been successfully sold.

### Navigation Measures

The project has readied the Port of Skellefteå for feeder traffic, larger vessels capable of transshipment to smaller boats, resulting in an increased capacity. This endeavor involved implementing specific measures within and around the fairway and establishing a new logistics area. During the maintenance dredging operations within the fairway, more extensive dredging occurred than initially planned. As a result, some anticipated outcomes of the "Port of Skellefteå 2022 - Navigation Measures" project have already been achieved, enabling nighttime navigation through this dredging effort. New buoys were acquired, refurbished, and installed to establish a new fairway marking. The harbor now boasts a modern digitalized infrastructure for fairway marking. In 2022, the project concluded, underwent evaluation, and generated reports concerning the fairway project. EU funding has been disbursed, and the project recorded a surplus of approximately 3 million SEK.

Professional and customized services  
Electricity Infrastructure for Urban Development 1-9

The Elsu Project – Electricity Infrastructure for Urban Development continues with some subprojects operating under challenging schedules. However, there haven't been significant time deviations. Due to increased costs and index adjustments, approximately SEK 38 million in additional funding has been requested in 2022. As of now, five out of nine subprojects have reached completion.

Electricity Infrastructure for Urban Development Subproject 13

Within the framework of The Elsu Project – Electricity Infrastructure for Urban Development, investments are being made in a new overhead line connecting Stavbäck and Kvistforsen. The project is proceeding according to the established plan.

Electricity Infrastructure for Urban Development Subproject 14

In the context of The Elsu Project – Electricity Infrastructure for Urban Development, investments are being made in a new overhead line connecting Djuptjärn and Kvistforsten. The project is on track as planned.

Electricity Infrastructure for Urban Development Subproject 16

As part of The Elsu Project – Electricity Infrastructure for Urban Development, investments are being directed to a new overhead line connecting Djuptjärn and Furunäs. The project is advancing according to the agreed-upon schedule.

Reinvestment in the New Bastuträsk Substation

The planning and procurement for a new distribution station in Bastuträsk are currently in progress.

Sällsjö Reinvestment in Hydroelectric Power

A reinvestment effort, involving turbine, generator, and related equipment upgrades, is ongoing to ensure a continuous supply of electricity for unit G1 at the Sällsjö power station. The project is proceeding as planned.

Electricity Project for the Cultural Center

All planned installations have been successfully completed and inspected.

Reinvestment in Rengård for Increased Capacity

Reinvestment in the G1 turbine and generator, along with related equipment, is advancing to secure a continuous electricity production for unit G1 at the Rengård power station. The work is approaching completion.

New Unit for Rengård

An additional investment in a new unit aims to alleviate bottleneck issues by transitioning from one to two units. This change also enhances flexibility for delivering system services such as primary and secondary regulation. Nevertheless, the project is slightly behind schedule due to delays and price increases. The cost forecast exceeds the budget, and discussions with suppliers are ongoing to establish a new timeline and the basis for additional decisions in 2023.

Cooling and Process Water for the Bergsbyn Industrial Area

The external supply of cooling and process water to the Bergsbyn industrial area, carried out through a joint venture with a customer, has been successfully completed. However, the final settlement is still pending.

Steam Delivery to the Bergsbyn Industrial Area

A steam delivery project for the Bergsbyn industrial area involved the installation of two 3-megawatt steam boilers. The project is completed, with the final settlement pending.

Aidon Meter Replacement Phase 3

The third phase of meter replacements, which aims to enhance the metering infrastructure, has faced delivery issues, causing delays. Nevertheless, around 90% of the meters have been replaced so far.

Sällsjö Preparatory Measures

A reinvestment initiative, including turbine, generator, and associated equipment upgrades, is ongoing to ensure a consistent electricity production for unit G1 at the Sällsjö power station. The project is proceeding as planned.

Selsfors Reinvestment

A reinvestment project involving turbine, generator, and related equipment upgrades, aiming to ensure a continued electricity production for unit G2 at the Selsfors power station, is advancing as scheduled. The cost forecast indicates output below the budget, but there is a risk of increased costs due to price increases for turbines/generators.

Fuel Handling at the Intermediate Storage

This project is aimed at enhancing the intermediate fuel storage and external transport arrangements at the Hedensbyn heat power plant. Ground and construction contracts have commenced.

E-Mobility Charging Stations

A project designed to establish electric vehicle charging stations in Sweden and Denmark. The project is currently underway, but rollout has experienced delays due to waiting for grid connections.

Frequency Regulation with Batteries

A project in the domain of hydropower seeks to improve frequency regulation through the utilization of batteries. New inquiries are being made to battery suppliers due to price increases.

Ecolink

The Ecolink project is facilitating the interconnection of the Skellefteå and Skelleftehamn district heating systems. Partial funding is provided by the Climate Leap program, amounting to SEK 103 million. The project is advancing according to the established plan.

## Social Capital:

### Key Decisions Made by the Municipal Council and committees

- Skellefteå Municipality has adopted a new public health policy program.
- Plans for the first stage of a new healthcare and nursing home have been finalized.
- An in-depth overview plan for Skellefteå has been approved as a strategic document.
- The municipality has established a disability policy strategy.
- The annual report for 2021 has been accepted, and the committees have been granted discharge.
- New policies for the work environment and employment have been established.
- The organization structure of committees from January 1, 2023, has been determined.
- Regulations for remuneration of elected officials have been set, effective from January 1, 2023.
- A fresh dietary policy has been embraced.
- Guidelines for overseeing IT, digitalization, and business development have been put in place.
- A revised development strategy for Skellefteå 2030 has been approved.
- Skellefteå Municipality's financial policy has been updated.
- An agreement for regional development collaboration from 2023 to 2026 has been adopted.
- Rules for ownership management within the municipality have been established.
- Skellefteå Municipality has increased the credit limit for Skellefteå Stadshus AB.
- Additional guarantees have been provided for Skellefteå Kraft AB to facilitate trading on Nasdaq.
- A new action program under the Disaster Preparedness Act has been introduced.
- Elections for a new presidium in the municipal council, along with new committees, boards, and auditors, have been held for the 2022-2026 term.
- Significant investments have been approved to interconnect district heating networks in Skellefteå and Skelleftehamn.
- The municipality has offered guarantees for a new vehicle leasing agreement.
- The budget and plan for 2023-2027 for Skellefteå Municipality have been ratified.
- New water and sewage rates, as well as land price rates, have been established.
- Principles for allocating small house plots within the municipality have been defined.
- Guidelines for development agreements have been implemented.
- Fresh governance principles for Skellefteå Municipality have been introduced.
- A decision to host EXPO 2026 has been taken with the aim of promoting sustainability and showcasing it to the world.
- A Recreation and Culture Bank, initiated by the Recreation Committee, along with the Social Committee and the Upper Secondary School Committee, has opened its doors to the public in December 2022.
- To enhance its attractiveness as an employer, the Personnel Committee has decided to increase the wellness grant from SEK 1,500 to SEK 3,000 in 2023.
- Addressing workforce challenges, the Social Committee and the Personnel Committee have approved additional compensation for the summer period in 2023 to ensure adequate staffing and maintain service quality.
- The municipality has successfully provided housing for approximately 145 Ukrainian refugees, with around 40 of them securing employment within the municipality. Vacant properties not currently used by the municipality have been utilized for this purpose.
- The Community Development Committee has committed to achieving a fossil-free vehicle fleet by 2030. Collaboration with Skellefteå Kraft has led to a structured plan for the deployment of charging infrastructure. This effort involves Skellefteå Kraft installing charging stations, with operations procuring electricity at agreed-upon rates. The initial phase includes a pilot project where select operations will exclusively use electric vehicles.

## Financial Capital:

### Accounting Principles

Skellefteå Municipality's annual report is prepared in accordance with the Swedish Local Government Accounting and Reporting Act (2018:597) and the recommendations of the Swedish National Financial Management Council for Local Government.

### Compiled Financial Statements

Throughout the year, there have been several alterations in the corporate structure, primarily involving the following:

Skelleftebostäder divested its subsidiary, Kapella Fastigheter i Skellefteå AB, while establishing a new subsidiary, Skellefteå Holding, and acquiring Skelleftebostäder Frigg 5 AB.

In early 2022, Skellefteå Industrihus AB sold Skellefteå IH Holding AB, along with its subsidiary, Skellefteå IH Fastigheter AB.

Since 2017, only the equity method and proportional consolidation have been employed for preparing the consolidated financial statements. This method entails consolidating each individual group company separately, including only the portion of financial statement items owned (in line with RKR's recommendation R16). The municipal group encompasses companies in which the municipality holds a minimum 20 percent ownership stake, with the exception of Norrlands Etanolkraft AB, which holds no book value in the Skellefteå Kraft group.

The consolidated financial statements require adjustments to account for differences between the accounting principles applied by the company group (under K3) and the accounting framework followed by the municipality (LKBR). The key disparities in accounting principles pertain to recognizing asset impairments and revaluations of tangible assets, as well as the treatment of public subsidies and state grants.

In this year's consolidation, changes have been made regarding the accounting treatment of financial leases, involving the revaluation of existing agreements, as well as the correction of previously reported adjustments for write-ups and goodwill linked to the company group. These corrections have been allocated against equity, totaling SEK 238 million.

### Management of Assets

The municipality has established criteria for asset classification and components. To subdivide an asset into components, the asset's initial cost should exceed SEK 2 million, with individual components valued at a minimum of SEK 200,000. The impact of loan-related costs is recognized in the financial results for the corresponding period. Depreciation follows the straight-line method, with uniform nominal amounts allocated each year, commencing when the asset becomes operational.

Assets with an expected useful life of at least three years and a value exceeding half a price base amount (VAT excluded) are classified as fixed assets. In cases where the collective procurement of inventory items and capital assets exceeds a total value of two price base amounts, it is considered a fixed asset. The same threshold applies to financial lease agreements.

Concerning the downtime for the preparation of a fixed asset, estimates of working time, in cases where real-time reporting has not occurred during the year, have been integrated into the acquisition cost. The implementation of a new project management system, including the time registration of in-house work, has been partially delayed due to the pandemic.

Demolitions of properties utilized in the municipality's own operations are recorded as operating expenses. As of 2020, a systematic review plan for all fixed assets has been initiated, and this year, it encompassed assets acquired until 2018.

Furthermore, the municipality enlisted an external consultant during the year to evaluate all leasing objects. This task is now completed. Adjustments against equity have been made for prior years' acquisitions of objects influencing the value of assets and liabilities.

### Liabilities, Provisions, and Pension Obligations

Investment grants and connection fees are reported as long-term liabilities and are recognized evenly over the useful life of the related asset. In compliance with RKR R2, only public grants linked to a specific investment should be recognized as revenue, reflecting the investment's usage and consumption.

The municipality's pension liability adheres to the legally mandated mixed model. This entails that all pensions earned before 1998 under previous pension agreements are recorded as liabilities, including payroll taxes in this context. Payments pertaining to pension benefits earned before 1998 are recorded as expenses in the income statement (refer to Note 23).

Pension benefits earned from 1998 onwards under new pension agreements are documented as an expense in the income statement and as a provision in the balance sheet. Within the provisions, a distinct payroll tax equivalent to 24.26 percent of the recognized pension provision is reserved (see Note 18).

The municipality doesn't maintain managed pension assets in the form of monetary investments or contributions to foundations. The calculation of the overall obligation is conducted by Skandia, as per the Guidelines for Calculating Pension Liabilities (RIPS 17). The presented costs are allocated over time, associating payments with the year they pertain to, considering when the benefits were accrued. Pension commitments for individuals employed by municipally owned firms are reported following K3, BFNAR 2012:1.

While assessing the municipality's and municipal group's financial strength, the entire municipal pension obligation is considered, even the portion not accounted for on the balance sheet.

### Accounting Principles for Operating Reports

Wages have been charged with a personnel cost surcharge of 39.75 percent, encompassing social contributions and pension expenses.

Depreciation of tangible and intangible fixed assets is recorded at actual depreciation cost.

The various internal service units invoice their respective departments at cost. However, common central administration services such as finance, personnel, and procurement aren't allocated among the distinct operations.

Any elements that might distort comparisons are distinctly identified, when they occur, within the notes associated with the relevant items in the income statement. Elements falling into the category of unusual and exceeding SEK 10 million are considered as such. Additionally, any gains or losses stemming from the municipality's disposals, as well as income and expenses linked to land sales in the context of land development, are consistently accounted for as extraordinary items.

## Income statement

Amount in SEK million	Note	Group		Municipality	
		2022	2021	2022	2021
The business's income	1	9,772	9,215	2,452	2,029
Business costs	2	-12,242	-10,841	-6,422	-6,269
Depreciation	3	-926	-1,051	-446	-386
<b>Total The business's net costs</b>		<b>-3,397</b>	<b>-2,677</b>	<b>-4,416</b>	<b>-4,626</b>
Tax revenue	4	4,005	3,786	4,005	3,786
General state grants and equalization	5	1,217	1,235	1,217	1,235
<b>Total Operating results</b>		<b>1,825</b>	<b>2,344</b>	<b>806</b>	<b>394</b>
Financial income	6	4	28	161	126
Financial costs	7	-84	-77	-66	-58
<b>Total Profit after financial items</b>		<b>1,745</b>	<b>2,293</b>	<b>901</b>	<b>462</b>
Extraordinary items		0	0	0	0
<b>This year's results</b>		<b>1,745</b>	<b>2,293</b>	<b>901</b>	<b>462</b>

## Balance sheet

Amount in SEK million	Note	Group		Municipality	
		2022	2021	2022	2021
<b>Assets</b>					
<b>Fixed assets</b>					
Intangible assets	8	106	121	1	2
<b>Tangible fixed assets</b>					
Land, buildings and technical facilities	9	12,916	12,941	9,541	7,268
Machines and inventory	10	7,136	6,410	428	384
Other tangible fixed assets	11	2,685	2,257	859	795
Financial assets	12	2,192	1,545	10,064	10,060
<b>Total fixed assets</b>		<b>25,035</b>	<b>23,274</b>	<b>20,893</b>	<b>18,509</b>
<b>Current assets</b>					
Storehouse	13	533	413	219	161
Receivables	14	3,023	2,135	1,419	1,148
Short-term investments	15	2	3	0	0
Cash and bank balances	16	975	315	8	130
<b>Total current assets</b>		<b>4,534</b>	<b>2,864</b>	<b>1,646</b>	<b>1,439</b>
<b>Total assets</b>		<b>29,569</b>	<b>26,138</b>	<b>22,539</b>	<b>19,948</b>

Amount in SEK million	Note	2022	2021	2022
<b>Equity, provisions and liabilities</b>				
<b>Equity</b>				
The result of the period		1,745	2,293	901
Profit equalization reserve		783	750	783
Other equity		11,918	9,855	13,621
<b>Total equity</b>	17	<b>14,446</b>	<b>12,898</b>	<b>15,306</b>
<b>Provisions</b>				
Provision for pensions and similar obligations	18	421	404	382
Other provisions	19	1,416	1,350	43
<b>Total provisions</b>		<b>1 837</b>	<b>1,754</b>	<b>424</b>
<b>Liabilities</b>				
Long-term liabilities	20	8,119	6,901	5,743
Current liabilities	21	5,167	4,585	1,066
<b>Total debts</b>		<b>13,285</b>	<b>11,489</b>	<b>6,809</b>
<b>Total equity, provisions and liabilities</b>		<b>29,569</b>	<b>26,138</b>	<b>22,539</b>
<b>Pledges and contingent liabilities</b>				
Pledges and similar securities	22	16,075	10,401	16,075
Pension obligations	23	1 911	1 974	1 911



# Cash flow analysis

Amount in SEK million	Note	Group		Municipality	
		2022	2021	2022	2021
<b>The ongoing operations</b>					
This year's results		1,745	2,293	901	462
Adjustment of depreciation and write-downs	25	926	1,051	446	386
Adjustment for items not affecting liquidity	25	-148	-1,368	-110	-13
Increase (-) decrease (+) short-term receivable		-888	-798	-271	-422
Increase (-) decrease (+) inventory and stock		-120	-87	-58	-34
Increase (+) decrease (-) short-term debt		1,713	790	-85	93
<b>Total cash flow from the current the business</b>		<b>3,228</b>	<b>1 881</b>	<b>822</b>	<b>473</b>
<b>The investment business</b>					
Acquisitions, intangible fixed assets		0	-10	0	0
Acquisitions, tangible fixed assets		-2,679	-2,354	-864	-931
Sales, tangible fixed assets		34	2,292	9	690
<b>Total cash flow from investment activities</b>		<b>-2,645</b>	<b>-72</b>	<b>-854</b>	<b>-240</b>
<b>The financing business</b>					
New loans (+)		1,400	0	0	0
Amortization (-)		-1,425	-1,800	-125	-500
Increase in other long-term liabilities (+)		749	496	39	43
Increase in long-term receivables (-)		-647	-615	-4	0
<b>Total cash flow from financing activities</b>		<b>77</b>	<b>-1 919</b>	<b>-90</b>	<b>-458</b>
<b>Total cash flow for the year</b>		<b>660</b>	<b>-110</b>	<b>-122</b>	<b>-225</b>
Liquid funds at the beginning of the year		317	427	130	355
Cash and cash equivalents at the end of the year		977	317	8	130

# Notes

Amount in SEK million	Group		Municipality	
Note 1. Business income	2022	2021	2022	2021
Energy sales	7,170	5,169	0	0
Sales revenue	663	300	123	108
Fees and charges	637	493	566	524
Rents and leases	444	476	902	539
Grants and cost reimbursements from the state	563	595	509	571
Other grants	67	42	79	45
Operating income	48	55	58	55
Capital gains	13	1670	55	22
Other operating income	168	414	160	164
<b>Amount</b>	<b>9,772</b>	<b>9,215</b>	<b>2,452</b>	<b>2,029</b>
of which items affecting comparability:				
Operating income	48	55	58	55
Capital gains	13	1670	55	22

Note 2. Business costs	Group		Municipality	
	2022	2021	2022	2021
Labor costs	5,281	5,139	4,354	4,289
of which pension costs	366	388	279	292
Purchased electricity	4,041	2,976	0	0
Contribution	300	298	301	329
Fuel, energy and water	22	3	124	99
Purchase of main business	408	355	391	355
Premises and land rents, real estate services	221	258	166	208
Property costs and contracts	189	242	191	181
Consumables and materials	286	310	262	245
Other external services	196	316	277	223
Corporation tax	258	14	0	0
Sales losses	2	293	7	21
Other operating expenses	1,039	637	349	318
<b>Amount</b>	<b>12,242</b>	<b>10,841</b>	<b>6,422</b>	<b>6,269</b>
of which items affecting comparability:				
Operating costs	11	18	11	18
Sales losses	2	293	7	21

Note 3. Depreciation	Group		Municipality	
	2022	2021	2022	2021
Deoperation of intangible assets	21	23	1	1
Depreciation of buildings and facilities	315	376	230	216
Depreciation of machinery and equipment	597	490	82	80
Scheduled depreciation, leasing	29	25	133	90
Write-down, reversed write-down	-37	137	0	-1
<b>Amount</b>	<b>926</b>	<b>1,051</b>	<b>446</b>	<b>386</b>

Note 4. Tax revenue	Group		Municipality	
	2022	2021	2022	2021
Preliminary municipal tax	3,895	3,690	3,895	3,690
Final settlement of the previous year	23	12	23	12
Final settlement for the current year, forecast	86	83	86	83
Inter-municipal equalization	0	1	0	1
<b>Amount</b>	<b>4,005</b>	<b>3,786</b>	<b>4,005</b>	<b>3,786</b>

Note 5. General government grants and equalization	Group		Municipality	
	2022	2021	2022	2021
Income equalization	724	667	724	667
Structural grant	9	9	9	9
Introduction grant	0	5	0	5
Regulatory contribution	202	217	202	217
Contribution for LSS equalization	185	199	185	199
Municipal property tax	179	175	179	175
Cost equalization fee	-106	-78	-106	-78
Other general grants from the state	23	42	23	42
<b>Amount</b>	<b>1,217</b>	<b>1,235</b>	<b>1,217</b>	<b>1,235</b>

Note 6. Financial income	Group		Municipality	
	2022	2021	2022	2021
Dividends from group companies	0	0	137	96
Dividend shares and shares	7	6	7	6
Interest income	15	3	2	0
Results from other securities	10	17	0	0
Unrealized increase in value of financial instruments	0	0	0	0
Guarantee fee	0	0	14	24
Other financial income	-27	0	1	0
<b>Amount</b>	<b>4</b>	<b>26</b>	<b>161</b>	<b>126</b>

Note 7. Financial costs	Group		Municipality	
	2022	2021	2022	2021
Interest costs	68	63	11	9

Interest on pension provision	9	6	9	5
Unrealized decrease in value fine, instruments	0	1	0	1
Other financial costs	3	1	3	1
<b>Amount</b>	<b>84</b>	<b>77</b>	<b>66</b>	<b>58</b>

Note 8. Intangible assets	Group		Municipality	
	2022	2021	2022	2021
Acquisition value	1,511	1,486	3	4
Accumulated depreciation	-1,406	-1,366	-2	-2
<b>Recorded value at the end of the year</b>	<b>105</b>	<b>121</b>	<b>1</b>	<b>2</b>
Balanced development expenditure/ SSAB	74	69	0	0
Goodwill / SSAB	23	4	0	0
Acquired customer values/SSAB	7	17	0	0
Concessions SSAB	0	29	0	0
IT systems, Commerce, GIS etc	1	2	1	2
<b>Reported value at the beginning of the year</b>	<b>121</b>	<b>134</b>	<b>2</b>	<b>3</b>
Investments of the year	14	10	0	0
Adjustments book value	3	9	0	0
Depreciation for the year	-32	-32	-1	-1
<b>Recorded value at the end of the year</b>	<b>106</b>	<b>121</b>	<b>1</b>	<b>2</b>
Average useful life	5	5	5	5

Note 9. Land, buildings, facilities	Group		Municipality	
	2022	2021	2022	2021
Opening acquisition value	19,445	19,382	9,264	8,839
Year's investments	455	679	64	30
Sales/disposals group	-1,168	-1,679	0	0
Sales municipality	-13	-6	-13	-623
Disposals municipality	-25	0	-25	-20
Reclassifications	505	1,069	605	1,037
<b>Closing acquisition value</b>	<b>19,199</b>	<b>19,445</b>	<b>9,896</b>	<b>9,263</b>
Opening accumulated depreciation	-6,202	-6,688	-3,677	-3,480
Sales/disposals group	33	541	0	0
Sales municipality	8	20	8	3
Disposals municipality	21	0	21	16
Reclassifications	115	379	0	0
Depreciation for the year	-371	-453	-230	-216
<b>Closing accumulated depreciation</b>	<b>-6,396</b>	<b>-6,202</b>	<b>-3,878</b>	<b>-3,676</b>
Opening accumulated depreciation	-438	-257	78	77
Sales/disposals group	0	-176	0	0
Sales municipality	0	-79	0	1
Disposals municipality	0	-79	0	1
Reclassifications	0	-79	0	1
<b>Closing accumulated impairment losses</b>	<b>-359</b>	<b>-438</b>	<b>78</b>	<b>78</b>
<b>Closing reported value</b>	<b>12,444</b>	<b>12,805</b>	<b>6,095</b>	<b>5,665</b>
Opening reported value	136	28	1,603	1,080
Recorded value at the beginning of the year	336	108	1,842	523
Change in book value	472	136	3,445	1,603
<b>Recorded value at the end of the year</b>	<b>472</b>	<b>136</b>	<b>3,445</b>	<b>1,603</b>
<b>Amount</b>	<b>12,916</b>	<b>12,941</b>	<b>9,541</b>	<b>7,268</b>
Average useful life			35	34

Write-downs for the year	0	-79	0	1
<b>Closing accumulated impairment losses</b>	<b>-359</b>	<b>-438</b>	<b>78</b>	<b>78</b>
<b>Closing reported value</b>	<b>12,444</b>	<b>12,805</b>	<b>6,095</b>	<b>5,665</b>
Leasing property	136	28	1,603	1,080
Recorded value at the beginning of the year	336	108	1,842	523
Change in book value	472	136	3,445	1,603
<b>Recorded value at the end of the year</b>	<b>472</b>	<b>136</b>	<b>3,445</b>	<b>1,603</b>
<b>Amount</b>	<b>12,916</b>	<b>12,941</b>	<b>9,541</b>	<b>7,268</b>
Average useful life			35	34

Note 10. Machinery and equipment	Group		Municipality	
	2022	2021	2022	2021
Initial acquisition value	15,661	14,527	906	929
Investments of the year	465	388	131	145
Group sales/disposals	-195	-70	0	0
Sales municipality	-6	-98	-6	-78
Removals municipality	-145	0	-139	-90
Reclassifications	925	914	0	0
<b>Closing acquisition value</b>	<b>16,705</b>	<b>15,661</b>	<b>893</b>	<b>906</b>
Opening accumulated depreciation	-8,251	-7,494	-620	-635
Group sales/disposals	111	66	0	0
Sales municipality	4	95	5	7
Removals municipality	145	0	138	88
Reclassifications	-10	-430	0	0
Depreciation for the year	-580	-488	-82	-80
<b>Closing accumulated depreciation</b>	<b>-8,561</b>	<b>-8,251</b>	<b>-560</b>	<b>-620</b>
Closing accumulated write-downs	-1,029	-988	0	0
Reclassifications	-76	0	0	0
Reversal write-downs	86	0	0	0
Write-downs for the year	-4	-41	0	0
<b>Closing accumulated impairment losses</b>	<b>-1,023</b>	<b>-1,029</b>	<b>0</b>	<b>0</b>
<b>Closing reported value</b>	<b>7,101</b>	<b>6,381</b>	<b>333</b>	<b>286</b>
Leasing asset vehicles, inventory	29	31	99	31
Recorded value at the beginning of the year	6	-2	-4	68
Change in book value	35	29	95	99
<b>Recorded value at the end of the year</b>	<b>35</b>	<b>29</b>	<b>95</b>	<b>99</b>
<b>Amount</b>	<b>7,136</b>	<b>6,410</b>	<b>428</b>	<b>384</b>
Average useful life			6	7

Investments	1,797	1,771	669	728
The year's sales/disposals	-20	-12	0	0
Completed facilities	-1,349	-2,169	-605	-977
<b>Recorded value at the end of the year</b>	<b>2,685</b>	<b>2,257</b>	<b>859</b>	<b>795</b>

Note 12. Financial fixed assets	Group		Municipality	
	2022	2021	2022	2021
<b>Stocks and shares</b>				
Bothnavikens stuveri AB	3	3	3	3
Norrbothnia Railway	0	0	0	0
AB Norrlands Byggjänst	0	0	0	0
The municipal joint stock company	0	0	0	0
Kommuninvest Ek Förening	27	22	27	22
SKL company AB	0	0	0	0
Expolaris	0	0	0	0
Hjoggböle Va association	0	0	0	0
Skellefteå People's House	0	0	0	0
<b>Total shares and shares</b>	<b>29</b>	<b>25</b>	<b>29</b>	<b>25</b>
<b>Shares and shares in group companies</b>				
Skellefteå City Hall AB	0	0	10,008	10,008
Wrangel AB	0	0	22	22
<b>Total shares and shares in group companies</b>	<b>0</b>	<b>0</b>	<b>10,030</b>	<b>10,030</b>
<b>Group company securities</b>	<b>133</b>	<b>230</b>	<b>0</b>	<b>0</b>
<b>Long-term lending</b>				
Released loans	3	3	3	3
Other long-term receivables	2,026	1,287	1	1
<b>Total long-term lending</b>	<b>2,029</b>	<b>1,290</b>	<b>3</b>	<b>3</b>
<b>Housing rights</b>				
National building	0.1	0.1	0.1	0.1
HSB	0.2	0.2	0.2	0.2
Others	0.1	0.1	0.1	0.1
<b>Total condominiums</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
<b>Basic fund capital</b>				
The Träsnigheten foundation	0.4	0.4	0.4	0.4
The Handelsgården foundation	0.0	0.3	0.0	0.3
<b>Total basic fund capital</b>	<b>0.4</b>	<b>0.7</b>	<b>0.4</b>	<b>0.7</b>
<b>Total financial fixed assets</b>	<b>2,192</b>	<b>1,545</b>	<b>10,064</b>	<b>10,060</b>

Note 18. Provision for pensions	Group		Municipality	
	2022	2021	2022	2021
Opening provision Newly	404	367	364	323
earned pension, of which				
- Defined benefit old-age pension - Special	15	23	15	23
old-age pension - Survivor's	1	1	1	1
pension - Other The year's	0	0	0	0
payments	0	0	0	0
Interest and basic	-12	-12	-12	-12
amount calculation Change of insurance	7	4	7	4
technical grounds Other item Change of payroll	0	14	0	14
<b>tax Total</b>	<b>2</b>	<b>-1</b>	<b>3</b>	<b>3</b>
<b>provision for pensions</b>	<b>3</b>	<b>8</b>	<b>3</b>	<b>8</b>
Degree of investigation (only applicable in the municipality)	<b>421</b>	<b>404</b>	<b>382</b>	<b>364</b>
			99%	99%

Trustees whose assignments according to the fee regulations cover more than 40% of the basic fee covered by pension rules regulated in PBF adopted by municipal council 04-03-11 § 48 to apply from 01-01-2003. The number of elected representatives with these conditions amounted to 2 on 31/12 2022.

No elected representatives had fixed-term pensions triggered during 2022. A total of SEK 0 (SEK 0) was paid out.

Note 19. Other provisions	Group		Municipality	
	2022	2021	2022	2021
Provision for taxes	1,052	1,128	0	0
<b>Provision for landfill restoration</b>				
Recorded value at the beginning of the year	17	15	17	15
New provisions	1	5	1	5
Claimed provisions	-2	-2	-2	-2
<b>Total outgoing provision for landfill</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
Provision for contributions to the Swedish Transport Administration				
Recorded value at the beginning of the year	35	12	35	12
New provisions	0	26	0	26
Claimed provisions	-9	-3	-9	-3
<b>Total outgoing provision for grants</b>	<b>26</b>	<b>35</b>	<b>26</b>	<b>35</b>
<b>Restoration of peat extraction</b>				
Finishing wind power	262	88	0	0
Warranty provision	0	0	0	0
Provision of nuclear power	0	19	0	0
Loss risk reservation Other	0	0	0	0
	2	2	0	0
<b>Total other provisions</b>	<b>1,416</b>	<b>1,350</b>	<b>43</b>	<b>52</b>

Note 13. Storage	Group		Municipality	
	2022	2021	2022	2021
Residential land	33	15	33	15
Hedensbyn Site East	102	98	102	98
Other industrial land	62	27	62	27
Skellefteå Stadshus AB, the group Culture and leisure, bathing and camping Community development, storage, gravel, etc.	314	252	0	0
	0	0	0	0
	23	21	23	21
<b>Total inventory</b>	<b>533</b>	<b>413</b>	<b>219</b>	<b>161</b>
<b>Note 14. Current receivables</b>				
Interim claims	1,802	1,187	894	566
Accounts receivable	481	454	54	154
Receivables from the state	485	393	465	371
Other receivables	255	101	6	57
<b>Total current receivables</b>	<b>3,023</b>	<b>2,135</b>	<b>1,419</b>	<b>1,148</b>
<b>Note 15. Short-term investments</b>				
Funds	2	3	0	0
<b>Total short-term investments</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>
Acquisition value	2	3	0	0
Value regulation	0	0	0	0
<b>Note 16. Cash and bank</b>				
Cash	2	2	0	0
Bank	41	71	0	0
Group account	932	242	8	130
<b>Total cash and bank</b>	<b>975</b>	<b>315</b>	<b>8</b>	<b>130</b>

The municipality and the City Hall Group have an overdraft facility of SEK 500 million and SEK 700 million, respectively. None of the credits are currently unused.

Note 17. Equity	Group		Municipality	
	2022	2021	2022	2021
Opening equity of which	12,898	10,585	14,366	13,903
profit equalization reserve (RUR) Profit for the year	750	361	750	361
	1,745	2,293	901	462
Adjustments	-197	20	39	1
<b>Total equity</b>	<b>14,446</b>	<b>12,898</b>	<b>15,306</b>	<b>14,366</b>

Of the year's profit, it is proposed that SEK 33 million be set aside to increase the profit equalization reserve.

Provisions for Landfills pertain to the restoration of the former landfill at the Degermyrans waste facility. Restoration activities were initiated in 2010 and are expected to conclude by 2023. The closure process is carried out incrementally on an annual basis and includes land contouring, lining, covering materials, and land reconfiguration to facilitate re-vegetation.

In 2017, a provision was established for a sulfide soil landfill. This facility is authorized to receive a maximum of 95,000 tons of sulfide soil based on the decision of the County Administrative Board. It is anticipated to be operational for approximately 10 years. As a requirement, a notification must be submitted to the regulatory authority at least six months before ceasing operations, accompanied by a closure plan for evaluation and approval.

The provision for infrastructure pertains to co-financing arrangements with the Swedish Transport Administration, specifically for projects related to the Norrbotnia Railway and the travel center. This provision covers expenses associated with the passage at the travel center, the passage at Lasarettsvägen, and platform connections at Lasarettsvägen.

Peat production was discontinued in 2021, resulting in the reservation of a total estimated cost for subsequent remediation in the previous year's financial records. Remediation efforts have commenced during the year and are expected to continue for several years.

In adherence to applicable legal requirements, provisions for the remediation of wind power park areas are reported. These provisions are allocated annually based on the anticipated economic lifespan of the wind power park. Any variance between the estimated final remediation costs and the accumulated provision in the balance sheet is reported as a contingent liability.

Decisions were made in 2022 to dismantle the wind turbines at Uljabuouda and Bureå. The dismantling process began during the summer at the Uljabuouda wind power park. Consequently, adjustments have been made to the remediation costs for both wind power parks, and a comprehensive provision for remediation has been established in the current year.

As a result of the dismantling, a thorough review of previously reserved remediation costs has led to an increase in provisions.

The provision for nuclear power relates to Skellefteå Kraft AB's share of future costs associated with managing radioactive waste from Svafos' decommissioned facilities and the costs linked to Phase 2 of the Value Added Agreement concerning the final disposal of nuclear fuel. Starting from 2022, any booked provisions from previous years and future adjustments in our share of these costs will be handled in the company's settlements with Mellansvensk Kraftgrupp AB and will no longer be reported as provisions in the financial statements.

Note 20. Long-term liabilities	Group 2022	2021	Municipality 2022	2021
Long-term borrowing in banks and credit institutions	5,913	5,989	1,763	1 888
Long-term debt group companies	0	0	17	0
Long-term lease liability	718	359	3,624	1,810
Prepaid connection fees	124	105	124	105
Prepaid revenue public investment grants	199	165	199	165
Fee withdrawal	12	44	12	44
VA Other	1 153	239	3	3
<b>Total long-term liabilities</b>	<b>8,119</b>	<b>6,901</b>	<b>5,743</b>	<b>4,015</b>

	city hall-group	city hall-group	Municipality	Municipality
<b>Information on borrowing from banks</b>				
Average interest rate, %	1.95	0.90	0.77	0.36
Average capital commitment period, years	2.40	2.30	2.21	2.55
Average interest period, years	2.34	2.06	1.89	2.17
<b>Principal maturity share of loans, %</b>				
0 - 1 year	35.3%		26.9%	
12 years	12.8%		13.8%	
2 - 3 years	13.2%		28.4%	
3 - 4 years	20.2%		21.0%	
4 - 5 years	15.1%		9.9%	
5 years -	3.4%			

Prepaid revenues from connection fees are allocated over a 50-year period, aligning with the weighted average useful life of the water and sewer infrastructure. Public investment grants are recognized over a duration corresponding to the utility period of the specific asset financed by the grant.

Other long-term liabilities within the municipal group have seen an increase compared to the previous year, primarily stemming from an augmented debt related to business transactions with Nasdaq, executed by Skellefteå Kraft for the purpose of hedging prices for new and existing customer contracts.

In the case of long-term lease liabilities, the implicit interest rate has been employed for agreements where the fair value was ascertainable. For instances where the implicit interest rate was unknown, the marginal borrowing rate was used. This rate represents the interest rate the municipality would have incurred when entering into the lease agreement for an acquisition funded by borrowing over an equivalent period and with similar collateral. The chosen interest rate comprises STIBOR90 plus a fixed margin of 0.55 percentage points (with a 3-year commitment) for each year in which the lease agreement was initiated. The interest rate information is sourced from Kommuninvest.

Note 21. Current liabilities	Group 2022		Municipality	
	2022	2021	2022	2021
Debt credit institutions	1 178	1,300	0	0
Debts of group companies	0	0	23	4
Accounts payable	636	688	252	338
Interim liabilities	1,479	1 159	633	642
Prepaid tax revenue	0	40	0	40
VAT and withholding tax	275	271	152	104
Nasdaq, cascades Other	1,230	1,088	0	0
short-term liabilities	369	38	6	23
<b>Total long-term liabilities</b>	<b>5,167</b>	<b>4,585</b>	<b>1,066</b>	<b>1 151</b>

Note 22. Panthers and similar securities	Group		Municipality	
	2022	2021	2022	2021
Surety commitments municipality owned companies				
Skellefteå Kraft AB	6,854	1,125	6,854	1,125
Skellefteå City Hall AB	9,150	9,200	9,150	9,200
Skellefteå bus AB	33	35	33	35
Skellefteå Industhus AB	5	6	5	6
Skelleftebostäder AB	1	1	1	1
Borgen, own home	0.3	0.3	0.2	0.3
Administrative assignment				
4 foundations with their own board (5 in 2021) 5 foundations that are jointly managed (4 in 2021)	21	23	21	23
	11	11	11	11
<b>Total pledges and corresponding collateral</b>	<b>16,075</b>	<b>10,401</b>	<b>16,075</b>	<b>10,401</b>

Note 23. Pension obligations not included among liabilities or provisions	Group		Municipality	
	2022	2021	2022	2021
Included liability for pensions earned before 1998 including payroll tax	1 974	2,026	1 974	2,026
Calculation of interest and base amount	44	27	44	27
Change of insurance technical grounds	0	38	0	38
Newly earned pension	0	-1	0	-1
This year's payments	-99	-99	-99	-99
Other items	6	-7	6	-8
Change in payroll tax	-13	-10	-13	-10
<b>Total pension obligations not included among the liabilities or provisions</b>	<b>1 911</b>	<b>1 974</b>	<b>1 911</b>	<b>1 973</b>

Note 24. Leasing	Group		Municipality	
	2022	2021	2022	2021
Financial leasing agreements				
Properties				
Total Minimum Lease Fees	523	182	4,367	2,938
Present value minimum lease payments	450	130	3,529	1,603
Hence maturity within 1 year	18	12	102	104
Hence maturity 1-5 years	70	50	413	401
Hence maturity later than 5 years	393	68	3,014	1,092
Vehicle				
Total Minimum Lease Fees	36	30	36	30
Present value minimum lease payments	35	29	35	29

Inventory				
Total Minimum Lease Fees	61	70	61	70
Present value minimum lease payments	60	70	60	70
Hence maturity within 1 year	7	7	7	7
Hence maturity 1-5 years	28	63	28	63
Hence maturity later than 5 years	26	0	26	0
Operating leases				
Properties				
Minimum mileage charges	214	215	214	1,160
Hence maturity within 1 year	64	56	64	174
Hence maturity 1-5 years	121	120	121	398
Hence maturity later than 5 years	28	39	28	589
Inventory				
Minimum mileage charges	40	0	32	0
Hence maturity within 1 year	25	0	16	0
Hence maturity 1-5 years	54	0	16	0

Note 25. Adjustment of items not affecting liquidity	Group 2022		Municipality	
	2021	2022	2021	2022
Depreciation	963	882	446	387
Impairment Capital gains	-37	169	0	-1
Sales losses	-11	-1,633	0	0
Sales and leaseback	0	293	0	0
	-18			
Change provision Changed accounting principles	25	-10	8	67
	0	0	0	0
Financial leasing	-118	-20	-118	-80
Other	-26	2	0	0
<b>Amount</b>	<b>778</b>	<b>-317</b>	<b>335</b>	<b>374</b>

#### Note 26. Information on prepared separate accounts

The following separate accounts have been prepared within the municipal group during the financial year:

Va report, district heating report, network report.

Prepared separate reports will be available on the municipality's website.

Note 27. Information on costs for financial audit	Group		Municipality	
	2022	2021	2022	2021
Expert advice Trusted auditors			0.4	0.4
			0.3	0.3

Costs related to financial statement auditing cover the examination of the municipality's financial records, interim reports, and annual financial statements. Auditing of the financial records of municipal enterprises is conducted by the companies' certified auditors, and the associated expenses are detailed in the companies' annual financial reports.

The real estate properties that were sold by the municipal group in 2021 and 2022, and are now being leased, are mainly related to care and nursing facilities, group housing, and cultural centers. The lease period for the cultural center is set to be extended by an additional 25 years, resulting in a total lease period of 50 years. The implicit interest rate for these agreements varies depending on the duration and complexity of each specific agreement. For more detailed information, please refer to note 20.

Disclosure Regarding Internal Transactions, Group Contributions, and Shareholder Contributions  
As part of the annual financial closing for the Skellefteå City Hall Group, a thorough review is undertaken to optimize the overall financial performance. This not only allows the group to benefit from tax deductions related to interest costs but also to make use of any available tax loss carryforwards to the extent possible. This has led to a reduction in the group's corporate tax expenses, amounting to approximately 18 million SEK.

Note 23. Sale and leaseback agreement	Group		Municipality	
	2022	2021	2022	2021
Sales price, SEK million	0	1,293	0	0
Profit/loss on sale	0	229	0	0
Contract length, number of years	-	3-25 years	-	-
The Culture House				
Sales price, SEK million	1,050	0	0	600
Profit/loss on sale	-30	0	0	-11
Contract length, number of years	-	-	-	25 years

Group internal conditions	Owner-Share	Sales		Purchase		Loan		Loan	Interest/guarantee-fee, revenue	Interest/guarantee-fee, cost Lender	Interest/guarantee-fee, revenue	Interest/guarantee-fee, cost Lender	Beneficiary	Ball	Ball
		Revenue	Cost	Lender	Borrower										
The municipality		781	-554	0	0	0	13	0	14	650	0	0	0	0	0
Skellefteå City Hall	100%	10	-10	4,385	0	0	55	-15	0	0	0	0	0	9,150	0
Skellefteå Museum AB	60%	14	-4	0	0	0	0	0	0	0	0	0	0	0	0
Skelleftebostäder AB	100%	171	-81	0	-563	0	0	-2	0	0	0	0	0	0	0
Skellefteå bus AB	100%	69	-34	0	-121	0	0	-3	0	0	0	0	0	0	0
Science City Skellefteå AB	100%	9	-1	0	0	0	0	0	0	0	0	0	0	0	0
Skellefteå City Airport AB	100%	15	-4	0	-79	0	0	-1	0	0	0	0	0	0	0
Skellefteå Industrihus AB	100%	50	-18	0	-139	0	0	-2	0	0	0	0	0	0	0
Skellefteå Kraft AB	100%	245	-686	0	-3 395	0	1	-43	0	0	0	0	0	5,500	0
Skellefteå Kulturhus AB	100%	48	-20	0	-87	0	0	-2	0	0	0	0	0	0	0

Group internal conditions	Owner-Share	Sales		Purchase		Loan		Loan	Interest/guarantee-fee, revenue	Interest/guarantee-fee, cost Lender	Interest/guarantee-fee, revenue	Interest/guarantee-fee, cost Lender	Beneficiary	Ball	Ball
		Revenue	Cost	Lender	Borrower										
The municipality		0	-18	0	0	0	0	0	0	0	0	0	0	0	0
Skellefteå City Hall	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Västerbottensteatern AB	40%	9	0	0	0	0	0	0	0	0	0	0	0	0	0
Visit Skellefteå AB	49%	9	0	0	0	0	0	0	0	0	0	0	0	0	0

Group internal conditions	owner-share	Owner's supplement		Owner contribution		Group contribution		Dividend	Dividend
		Given	Received	Given	Received	Given	Received		
The municipality		0	0	0	0	0	0	0	133
Skellefteå City Hall	100%	0	0	-89	120	-133	0	0	0
Skellefteå Museum AB	60%	0	0	0	0	0	0	0	0
Skelleftebostäder AB	100%	0	0	0	0	0	0	0	0
Skellefteå bus AB	100%	0	0	0	35	0	0	0	0
Science City Skellefteå AB	100%	0	0	0	0	0	0	0	0
Skellefteå City Airport AB	100%	0	0	0	6	0	0	0	0
Skellefteå Industrihus AB	100%	0	0	0	16	0	0	0	0
Skellefteå Kraft AB	100%	0	0	-120	0	0	0	0	0
Skellefteå Kulturhus AB	100%	0	0	0	32	0	0	0	0

# Operating report

Amount in SEK million Mentions	Income 2022	2021	Cost 2022	2021	Net- 2022	Budget 2022	Deviation 2022
Municipal board	929	584	-671	-625	259	-378	637
Building and Environment Board	65	65	-121	-116	-56	-63	7
Leisure Committee	100	80	-295	-286	-195	-237	42
Pre-primary and primary school board	190	184	-1,739	-1,682	-1,549	-1,568	19
High school board	151	156	-594	-589	-442	-472	30
Consumer Board	0	0	0	0	0	0	0
Culture Committee	4	7	-94	-87	-90	-95	5
Personnel committee	1	1	-23	-20	-22	-28	6
Community Building Board	610	594	-860	-821	-250	-224	-27
Social Committee	407	453	-2,583	-2,533	-2 176	-2,083	-93
Committee for support and premises	1,180	1,100	-1,248	-1 197	-68	-134	66
Electoral Board	2	0	-7	0	-5	-4	-1
Board of Trustees	0	0	-4	-5	-4	-6	2
Joint meal committee	44	43	-48	-43	-3	-4	1
Commonly referred to as IT operations	0	0	0	0	0	0	0
Joint committee for operation of personnel system	2	1	-2	-1	0	0	0
Audit	0	0	-3	-3	-2	-2	0
Adjusted: Items that are not attributable to the business revenue and the business costs according to the income statement	-1,234	-1,237	1,423	1,352	189	0	189
<b>Total business net costs</b>	<b>2,452</b>	<b>3,266</b>	<b>-6,868</b>	<b>-8,007</b>	<b>-4,416</b>	<b>-5,298</b>	<b>883</b>

Financial and internal records	Income 2022	2021	Cost 2022	2021	Net- 2022	Budget 2022	Deviation 2022
Tax revenue	4,005	3,786	0	0	4,005	3,864	141
General government grants and equalization	1 194	1 193	0	0	1 194	1 168	26
Financial net	9	16	0	0	9	6	3
Dividend SSAB	137	96	0	0	137	96	41
Power supply outlet	189	167	0	0	189	167	22
Internal interest rate	53	62	0	0	53	63	-10

Financial and internal records	Income 2022	2021	Cost 2022	2021	Net- 2022	Budget 2022	Deviation 2022
Po surcharges (employer contributions, pensions, insurance)	1 194	1 178	-1,290	-1,287	-96	-135	38
Other, budget reserve	42	0	-26	-8	16	-18	34
<b>This year's results</b>	<b>10,508</b>	<b>11,002</b>	<b>-9,607</b>	<b>-10,654</b>	<b>901</b>	<b>-88</b>	<b>989</b>

Of which tax and fee-financed activity	Income 2022	2021	Cost 2022	2021	Net 2022	IB equity/ debt	UB equity/ debt2
Electricity supply	783	434	-226	-201	537	10,677	11,214
Camping	46	38	-32	-28	14	12	26
Port	36	43	-41	-38	-5	13	8
Parking	24	20	-22	-21	2	9	11
Waste	150	144	-157	-147	-8	15	8
Sweeping	8	8	-9	-9	-1	4	3
<b>total</b>	<b>191</b>	<b>177</b>	<b>-223</b>	<b>-199</b>	<b>-32</b>	<b>43</b>	<b>11</b>

Of which internal service units	Income 2022	2021	Cost 2022	2021	Net 2022	IB equity/ debt	UB equity/ debt2
Property department	832	809	-814	-801	18	47	65
Campus	56	0	-39	0	17	0	17
Meal department	185	177	-1185	-174	0	10	10
IT department	175	181	-163	-175	12	14	26
Vehicles and workshop	157	154	-156	-155	2	0	2
The technical warehouse	12	12	-11	-10	2	1	3

**The operating report displays results before year-end adjustments and taxes in comparison to the budget approved by the municipal council for the municipally-owned companies.**

Amount in SEK million	Results 2022	Results 2021	Budget	Deviation
Company				
Skellefteå City Hall AB	129	65	0	129
Skellefteå Kraft AB, the group	1,245	580	433	812
Skelleftebostäder AB, the group	114	833	96	18
Skellefteå Industrifus AB, the group	0	656	12	-11
Skellefteå buss AB, the group	-48	-49	-19	-29
Skellefteå City Airport AB	-6	-22	-23	17
Science City Skellefteå AB	0	0	0	0
Skellefteå Kulturhus AB	-32	-15	-16	-17
Skellefteå museum AB	0	1	0	0
Visit Skellefteå AB	0	0	0	0
Västerbottensteatern AB	0	0	0	0
<b>Total municipally owned companies</b>	<b>1,402</b>	<b>2,050</b>	<b>483</b>	<b>919</b>

### Investment Reporting

**The investment reporting for tangible assets shows the variance in comparison to the budget approved by the municipal council for committees and companies. Major projects exceeding 20 million SEK are separately presented in a dedicated table.**



Committees, SEK m	Expenses	Income	Net	Budget Deviation	
The municipal board's overall investment framework				7	7
Municipal board	252	-11	241	216	-25
Building committee	1		1	1	0
Leisure Committee	18		18	46	27
Pre-primary and primary school board	2		2	7	5
High school board	4		4	7	4
Culture Committee	2		2	5	3
Social Committee	0		0	5	5
Committee for support and premises	220		220	304	85
Community Building Board	372	-59	313	656	343
<b>Total investment expenditure</b>	<b>871</b>	<b>-71</b>	<b>800</b>	<b>1,253</b>	<b>453</b>

### Larger-Scale Investments

As of the year-end transition, there were 37 substantial investment initiatives (exceeding 20 million SEK) underway across the municipal group, encompassing 11 projects within the municipality and 26 projects within the city hall group. Among these projects, 4 were indicating unfavorable projections.

Furthermore, beyond the ongoing projects at the close of the year, 8 significant undertakings with a combined budget of 382 million SEK were finalized during the year.

Only one of these completed projects reported results below the budget, and that was the Falkträsk area development project, which experienced an expanded scope compared to the initial budget. The other 7 projects either achieved results in line with the budget or exceeded expectations.

<b>Bigger investments, the municipality</b>				
Municipality, SEK million	Decided total budget	Result Empty 22-12	Forecast total expense	Forecast deviation
<b>Ongoing project</b>				
Furuskolan Jörn	46	25	46	0
Norrhammar preschool	45	25	46	-1
Traffic solution central town street + VA	90	61	90	0
Charles Bridge	227	138	227	0
Street reconstruction within urban transformation	81	61	81	0
Increased delivery security, Ursviken-Skelleftehamn	55	5	55	0
Warehouse tent, the port	20	13	13	7
Industrial area Bergsbyn/Hedensbyn and measures detailed plan Bergsbyn	100	116	130	-30
Bergsbyn business park	69	31	69	0
Sörböle industrial area	75	60	75	0
Finnfors power plant	156	148	158	-2
<b>Completed projects</b>				
Preschool Brännan	48	45	46	2
Preschool Bergsbyn	45	44	45	0
City Hall stage 2, Utsikten	68	62	62	6
Falkträsket south incl. new VA management	50	80	80	-30
Port crane	40	40	40	0
Fairway measures	12	9	9	3

## Larger investments, municipally owned companies

Skellefteå City Hall Group, SEK million	Decided total budget	Result Empty 2022	Forecast total expense	Forecast deviation
<b>Ongoing project</b>				
Electricity grid for the city's development 1-9 (Ske Kraft)	535	448	480	56
Electricity grid for the city's development 13 (Ske Kraft)	54	4	54	0
Electricity grid for the city's development 14 (Ske Kraft)	27	4	27	0
Electricity grid for the city's development 16 (Ske Kraft)	42	0	42	0
Reinvestment station Bastuträsk (Ske Kraft)	36	1	36	0
Sällsjö reinvestment Hydro power (Ske Kraft)	265	211	265	0
Electrical project Kulturhuset (Ske Kraft)	58	58	58	0
Reingard reinvestment hydropower (Ske Kraft)	246	233	246	0
Reingard New unit (Ske Kraft)	660	389	750	-90
Cooling and process water, Bergsbyn (Ske Kraft)	52	31	31	21
Steam delivery, Bergsbyn (Ske Kraft)	22	19	22	0
Seed Electricity and Control (Ske Kraft)	32	5	32	0
Aidon meter change Stage 3 (Ske Kraft)	53	33	53	0
Sällsjö preparatory measures (Ske Kraft)	48	35	48	0
Selsfor's reinvestment (Ske Kraft)	229	82	229	0
Fuel handling, intermediate storage (Ske Kraft)	100	40	100	0
E-mobility charging stations (Ske Kraft)	698	130	698	0
Frequency regulation with batteries (Ske Kraft)	66	8	66	0
Ecolink (Ske Kraft)	225	11	225	0
Kvarnbacken 70 apartments (Skebo)	112	105	112	0
Klockarhöjden, 114 apartments (Skebo)	172	137	172	0
Byske 11 apartments (Skebo)	74	11	74	0
Byske 24 apartments (Skebo)	99	3	99	0
Burträsk 17 apartments (Skebo)	37	1	37	0
The Svalan office building (Ske Industrihus)	258	249	256	2
Premises rescue service (Ske Industrihus)	106	8	106	0
<b>Completed projects</b>				
District heating culvert, Bergsbyn (Ske Kraft)	25	23	23	2
Nipan stage 2 74 apartments (Skebo)	94	94	94	0

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