



Општина
Струмица
Municipality of Strumica

Why MFSA and UA in Strumica

- **Lack of reliable databases, strategic documents and plans for urban settlements.**
- **“Urban Audit” gives integrated information on all aspects related to the municipality** and relevant spatial plans for all urban and rural settlements, economic, environmental conditions, and access to infrastructure facilities and upgrading of urban and rural population in the Municipality of Strumica .
- **We can accurately determine priorities** within the territory of the municipality by ranking districts based on defined indicators and relevant results obtained for each indicator.

Why MFSA and UA in Strumica

Main urban challenges in mid term development plan

Additional financial resources-loans

Efforts for capital investing-PPP

Increasing own revenues

Increasing LSG autonomy (devolution)

Financial management assessment

	Criteria	Indicator (explanation)	Indicator (number)
A. Credibility of the budget	Increasing flexibility and speeding the borrowing procedure	Shortening borrowing procedure timeline starting from consent from ministry of finance and simplifying the procedure	1 month
B. Comprehensiveness and Transparency	PPP	Compensating creditors from the private sector through PPP for the social protection (kindergartens and elderly homes) and other LSG competencies where creditors can partner with the LSG Strumica to provide public services	3 years
C. Budget Cycle			
	Policy-Based Budgeting		
Property tax	Predictability & Control in Budget Execution	Changing the methodology for assessing the property tax for economic operators that own installations on public areas	1 year
	Accounting, Recording and Reporting		
Concessions revenues	External Scrutiny and Audit	Monitoring the concessions fee that is LSG revenue to be competency of the LSG inspectorate	1 year
D. Donor Practices			
E. Other	Обезбедување на кредитен рејтинг за општината	Strumica with a donation in 2010 was granted B1 credit rating that positively influenced in the micro-region. It is beneficial to provide credit rating assessment again .	3 years

ITEMS	CALCULATION	2011 ACTUAL	2012 AKTUAL	2013 PLAN	2 014 PLAN	2015 PLAN
1.Total current revenue		617.791.590	665.452.998	691.476.541	728.504.970	765.549.914
2.Operating expenditure		598.479.525	651.865.560	724.546.541	760.773.868	798.812.561
3.Operating margin	1. - 2.	19.312.065	13.587.438	-33.070.000	-32.268.898	-33.262.647
4.Capital expenditures		181.968.729	237.909.645	378.327.374	397.243.742	417.105.929
5.Financing	4.- 3.	162.656.664	224.322.207	411.397.374	429.512.640	450.368.576
6, Own capital investment rev.		174.974.703	249.570.251	371.450.000	390.022.500	409.523.625
7. investment grants central government		0	0	0	0	0
8. Donations		1.429.606	4.560.525	39.947.374	39.490.140	40.844.951
9. Balance	5.-(6+7+8)	-13.747.645	-29.808.569	0	0	0
New projects UP identified				28.382.434	86.850.054	11.000.013
New projects UP identified as % of total capex				7,5	21,86	2,6
Q&M including new projects (5%)				725.965.662	765.116.370	799.362.561
				0,2	0,6	0,07
Q&M including new projects (10%)				727384784	769458873	799.912.562
				0,4	1,2	0,14

- Since November 2011, the Municipality of Strumica itself manages the sale of state construction land for which activity it has formed a separate department.
- The capital incomes from land sale, that represent a significant item in the balance of income, are planned.
- Since March, 2011 began the process of legalization of illegally constructed buildings.
- Untill 2012 Strumica Municipality managed to implement planned projects with their own funds.
- Budget of the Municipality of Strumica has the fiscal capacity for borrowing or for issuance of municipal bonds.
- Strumica uses the funds from IPA for three ongoing projects, and one project is already implemented by the Ministry of Environment of the Republic of Macedonia



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Thank you for your attention



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