Local Government in Slovakia

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Decentralization: Experiments and Reforms
Local Government in Slovakia

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Local Government in Slovakia

Juraj Nemec, Peter Bercik and Peter Kuklis

1. Overview of Local Government Reform

The Slovak Republic was established in 1993 as a result of the split of the former Czechoslovakia. To analyze the current state of its public administration system, a brief description of the historical processes that preceded its formation is necessary.

From the early medieval period, after the defeat of the Moravian state by Hungarian troops, Slovakia was incorporated into the Hungarian Empire. Slovak public administration was integrated into the Hungarian system, characterized by the relatively strong position of municipalities. When the first independent Czechoslovak state was established on 28 October 1918, the basic features of Austro-Hungarian public service became the foundation of the Slovak administrative system.

The period from 1918 to 1939 was characterized by the development of democratic civil service within a market economy environment. Despite relatively centralized management of public administration from Prague (the capital), the system exhibited many modern features, such as developed civil service law and the strong status of municipalities.

In 1945, after World War II, Czechoslovakia was reestablished as a unitary state. The Communist Party of Czechoslovakia won the democratic elections of 1947 and in February 1948 consolidated its power.

The period between 1948 and 1989 may be characterized as one of “socialist democracy” and planned economy. The public administration system was reorganized to serve the Communist Party and became fully dependent on its political organs. In 1968 the unitary state was replaced by a federal system with a central and two state governments and with a federal and two national parliaments. The institutional framework of public service (legislative and executive) was characterized by the following structure of institutions:

1. Central level
   • legislative power—the Federal Assembly, the Czech National Council and the Slovak National Council;
   • executive power—the Federal President, the Federal Cabinet, the Czech Cabinet, the Slovak Cabinet;

2. Local level
   • national committees on the regional, district and municipal levels.
As the only local government structure, national committees represented both the state administration and self-government; in practice, the Communist Party of Czechoslovakia directly controlled them. The systems of nomenklatura and party cells guaranteed that every institution and public servant was obliged to follow all directions and resolutions of the Communist Party.

After the “Velvet Revolution” in 1989, the process of gradual transition to a pluralist democratic public administration system was initiated in Czechoslovakia. As a result of historical developments, Czechoslovakia democratically split into two independent countries—the Czech Republic and the Slovak Republic—on 1 January 1993. Many important changes were made during the early stages of the transition period. In accordance with the new Constitution of the Slovak Republic, the reestablishment of self-governing municipalities with a high level of independence was accomplished. The system of national committees was abolished before the country split, and in the Slovak part of Czechoslovakia thirty-eight district offices and one hundred twenty-one subdistrict offices of state administration were created. At the same time, many institutions of specialized state administration were established to address education, environmental protection, fire prevention and health care. This process divided local public administration into many separate, relatively independent structures, the negative features of which were atomization and fragmentation. The constitution also stipulated the creation of a level of regional self-government, but this structure has yet to be established even today, which has had important ramifications on public administration reform.

Due to the relatively unstable political situation in Slovakia public administration reform was never comprehensive in character, and important changes in a new “wave” of reform initiated in 1996 addressed only the state administration, though the following major structural changes were proposed:

- reinstating general local state administration;
- territorial revision;
- initiation of the process to establish regional self-government.

This stage of reform resulted in the current structure of local government in Slovakia by the end of 1998.

2. Legal and Constitutional Basis

The second stage of public administration reform, initiated in 1996, was characterized by the parallel development of radical territorial and administrative restructuring of the state and the establishment of a uniform two-tier system of general state administrative offices in which a broad range of tasks and responsibilities was concentrated. Two important laws regulated these changes.

Law No. 221/1996 on the territorial and administrative subdivision of the Slovak Republic provided the legal framework for the execution of local self-government. In the hierarchy of
terриториальных округов, закон определяет муниципалитет как основу независимого и представительного местного самоуправления. Территории отдельных муниципалитетов, вместе с военными округами, составляют административную основу страны. Закон также определяет создание областей и регионов, второго и третьего уровней управления. Девять областей и сорок девять районов определены так, чтобы ограничить власть государственных органов. Региональные и районные органы составляют основу государственного управления в этом строении и делегированы широкий спектр задач; муниципалитеты и военные округа также могут выполнять обязанности государственного управления в соответствии с определенными законами.

Закон 222/1996 о местном государственном управлении в принципе ограничивает структуру и власть таких органов. Это включает двухуровневую иерархическую структуру региональных и районных органов, которая контролируется правительством в виде высшего органа исполнительной власти государства. Закон предполагает, что управление областями и районами также будет выполняться другими органами. Однако региональные и районные органы получают статус “первых среди равных”, выраженный определением задач, которые они должны выполнять в сотрудничестве с другими государственными органами, органами территориальных самоуправлений и с другими организациями в следующем:

- выполнение общих задач;
- соответствие законам;
- защита прав и свобод населения;
- предоставление социальных услуг для поддержки нужд населения;
- профилактика и экстренная помощь в случае необычных событий.

В силу того, что сорок девять районных органов не могут удовлетворить нужды всего населения, региональные органы, в интересах общественности и особенно в целях приближения государственного управления к гражданину, создали постоянные или временные пределы районных служб за пределами их официального местопребывания (было создано двадцать три таких управленческих структуры к середине 1998 года).

Область власти региональных и районных органов была значительно расширена. К концу 1998 года они выполнили государственные управленческие задачи в тридцать-двух областях деятельности. Региональные и районные органы управляли бюджетными и бюджетными организациями и учреждениями в образовании (около 7500), социальной сфере (около 370), здравоохранению (95) и культуре (39). Более 135000 сотрудников работали в этих учреждениях, и аппарат региональных и районных органов включал более 20000 сотрудников. Расходы были около SLK 38 миллиардов (USD 1,1 миллиарда) в 1997 году.

На основании Закона 222/1996, большинство децентрализованных органов центрального правительства были ликвидированы 24 июля 1996 года. Местное государственное управление осуществляется в основном местными органами, которые являются организационно независимыми от центральных органов, но некоторые государственные задачи реализуются через некоторые децентрализованные органы центрального правительства, которые не были ликвидированы, включая:

- инспектораты Slovak Inspection of Environment, подчиненное Министерству окружающей среды, которые надзор за качеством воды и другими вопросами окружающей среды;
• inspectorates of the Slovak Office for Labor Safety, which ensure safety measures and health protection in the workplace;
• regional units of the Slovak Statistical Office.

2.1 Local Self-government in Slovakia

By virtue of Slovak National Council Act 369/1990, a system combining local state administration and self-government replaced that of administrative authorities. Under current legislation, local government is constituted in municipalities that are territorial and legal entities. Within limits set by law, local governments manage their own budgets and assets. The state administration may delegate authority to local governments for particular tasks that are financed by state funds. They may issue ordinances that are binding for all individuals and corporate bodies within their jurisdiction. Such ordinances may be superceded or invalidated only by parliamentary acts. Decisions concerning administrative matters of municipal offices may be appealed in district offices. With some statutory exceptions, local authorities are independent from state supervision.

Local government authorities are elected directly by the local population. Elected mayors head municipal offices. As the highest executive officer, the mayor summons and conducts the sessions of local representative bodies, represents the office and the municipality and decides on all matters of local administration with the exception of those that, according to law, are decided by the municipal council.

Municipal offices are managed by local officials responsible for administrative and organizational matters. In large municipalities, the municipal office may be run by a head appointed by the municipal council on recommendation of the mayor who is responsible to the mayor.

Each municipality has a chief auditor who is elected by the municipal council on recommendation of the mayor. The chief auditor oversees local finances, accounts, the management of local property and assets and reports on the budget and final accounts.

Local government authorities may freely associate with other local government authorities and thus may form regional or other interest organizations. Such associations, however, may manage only those matters specifically referred to them by local governments.

Local state administrative bodies and local self-government bodies, when administering public matters, have strictly separated competencies by virtue of law, which also determines principles of coordination on particular matters, such as territorial planning and emergency situations. Local state administrative offices are appellate bodies in municipal administrative proceedings.
As of 31 December 1997, Slovakia’s 5,387,650 inhabitants resided in 2,871 municipalities—of which 136 had city status—and four military districts (governed by the Slovak Army and not by local self-government; according to the Slovak system of territorial division, these areas are recognized as specific municipalities). Over two-thirds of the total number of municipalities have fewer than one thousand inhabitants. Thus, the system of local government represents a highly nonintegrated structure (practically each settlement has municipality status), which has both positive and negative impact on the functioning of municipalities. This structure is the result of historical developments, especially after 1989, when the political situation did not allow administrative measures to encourage the merging of small municipalities and the creation of a more integrated structure. Rather, the opposite is true: the total number of municipalities slowly increased throughout the 1990s, especially due to the splitting of some municipalities and conferring municipal status on former parts of large cities as a result of local referendum.

This nonintegrated structure is one of the most important factors limiting the possibility for the massive transfer of responsibilities from the state administration to local self-government. In the near future it is doubtful that the political situation will allow more than voluntary initiatives of intermunicipal integration, especially concerning economic cooperation in fulfilling their tasks and responsibilities.

Municipal budgets are autonomous parts of the public budget. Shares of state taxes represent 22.7 percent of the total revenues of municipalities, and block and specific grants from the state and current and capital transfers, 17.5 percent. Other revenues are derived from the independent activities of municipalities, including real estate tax (10.9 percent) and loans (9.5 percent).

Local governments independently decide and act on all matters pertinent to the administration of municipalities and their property unless legislation specifically assigns such activities to the state or to other legal bodies. Pursuant to the law, municipalities exercise self-government functions concerning:

- management of movable property and real estate owned by the municipality and of property owned by the state and temporarily transferred to the municipality by law;
- creation and approval of municipal budgets and final accounts and the organization of public discussions on such issues;
- administration of local taxes and fees;
- supervision of economic activities in the municipality and, in particular, issuing binding resolutions on investment activities, the use of local resources, the initiation of business activities of legal entities and individuals and the approval of business plans in the interest of the population of the municipality;
- creation and protection of healthy living and working conditions of the municipal population, protection of the environment and provision of education, culture, personal interest programs, physical culture and sports;
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- conceptualization and approval of the territorial planning of settlements and zones and of the development of the social sphere of the municipality;
- establishment, incorporation, cancellation and supervision of budgetary organizations and subsidized organizations as well as other legal entities, in compliance with special regulations;
- maintenance of public order.

The economic and managerial responsibilities of municipalities are:
- comprehensive construction of housing and related infrastructure;
- maintenance and administration of public property;
- local public transportation in large cities (Bratislava, Košice, Žilina, Prešov, Banská Bystrica);
- construction, maintenance and management of local roads, public spaces, natural reserves, public lighting, marketplaces, cemeteries, local water resources and wells, water supply networks, sewage and water purification establishments;
- construction, maintenance and management of establishments addressing local culture, sport, leisure, tourism, child care, ambulatory health services and basic social services;
- support for education, natural and heritage preservation, culture and sport;
- support for humanitarian activities;
- administration of municipal police and fire services.

The scope of addressing these responsibilities depends on the size and financial basis of the municipality.

2.2 The Status of Cities and the Capital City

City municipalities are recognized as such by the National Council of the Slovak Republic. Law does not specify the criteria for such status. At present, there are 136 cities in Slovakia.

Special laws regulate the legal status of the city Košice and of the capital Bratislava. Law 377/1990 on the Capital of the Slovak Republic recognizes Bratislava as the capital city of the government and parliament. According to this law Bratislava is legally a municipality, and designated sections of the city are also municipalities. These sections have their own self-governing bodies and manage their own budgets. Bratislava has five districts (seats of district offices) and seventeen city sections with their own municipal councils.

The legal status of Košice, as the second largest city in Slovakia, is defined by Law 401/1990 on the City of Košice. The system of local government is organized similarly to that of Bratislava. Košice’s area is divided into four districts (seats of district offices) and twenty-two city sections with their own self-government bodies.
2.3 Responsibilities of Local State Administration

Regional and district offices exercise state administrative functions in the areas of:
- state defense;
- general internal administration;
- trade licenses and consumer protection;
- fire protection;
- civil protection;
- environmental management;
- finances, prices and management of state property;
- agriculture, forestry and hunting;
- regional development;
- state veterinary care;
- public transportation and road management;
- public and concession procurement;
- social affairs;
- health care;
- education;
- culture;
- regulation;
- international cooperation.

Within the scope of their terms of reference and under specific legislation, regional and district offices may issue generally binding regulations for their territories.

The district office exercises state administration in individual areas unless the regional office, another body of state administration, a municipality or a corporate body is entrusted with such tasks by law. The district office has competence on issues decided by state administrative authorities unless otherwise provided for by law. Thus, the district office:
- represents the state in approving development concepts for particular areas and in discussing municipal development (zoning) plans with the exception of those for the capital city and the city of Košice;
- develops programs for social and economic development of the district and coordinates initiatives of corporate bodies and individuals concerning such development, especially in matters of tourism, culture and state care of youth and physical education;
- is an appellate body for municipal matters;
- provides assistance on the application of legal regulations under which the municipality carries out state administrative tasks;
- provides municipalities with data from registers it administers;
- regulates deficiencies in municipal activities;
- manages and supervises mobilization and complex rescue systems.
In the event of an emergency situation, the district office coordinates the activities of the state authorities and municipalities in the district if the effect and consequences of such emergencies cannot be offset through the individual means and powers of such state authorities, municipalities and other corporate bodies or organizations. In such cases, the district office head is entitled to impose tasks on and give orders to state authority heads, municipal mayors, corporate statutory bodies and individual citizens in order to address the ramifications of the emergency.

In addition to the performance of state administration, the regional office:

- exercises second-instance state administrative supervision in administrative proceedings that have been addressed by the district office in the first instance, unless otherwise provided by law;
- directs and controls the performance of state administration by district offices;
- represents the state in discussing development plans of the capital city, Bratislava, and of the city of Košice;
- coordinates the activities of the district offices with other state authorities in fulfilling joint tasks of the state in the region;
- administers and supervises mobilization of the state and complex rescue systems, providing assistance and protection for inhabitants in the case of natural disasters and emergency situations.

The regional office coordinates joint tasks of other state administrative authorities and local self-government bodies regarding economic and social development of the territory, especially concerning social services, such as health care, education, culture, tourism and state care of youth and physical education. To this end, it can request information from these authorities to undertake the necessary analysis and assessments.

The regional office coordinates the activities of district offices, other state authorities and municipalities in the region during and after emergency situations, the effect and consequences of which cannot be offset through the means and powers of the district office or other state authorities. In such cases the regional office head is entitled to impose tasks on and give orders to district office heads, other state authority heads and municipal mayors in the region.

2.4 Relationship between the State Administration and Local Government

2.4.1 Central and Local State Administration

Regional and district offices represent a complex of individual branch divisions of state administration “under one roof” rather than a homogeneous organ of general state administration. This is due to the transfer of administration and decision-making authority from the head of the office of each individual section of state administration to the heads of individual divisions (departments) in regional and district offices. This system is illustrated in figure 7.1.
The head of an individual department within a regional office is responsible to the respective ministry in most, if not all, branch state administrative matters. The same system exists between respective heads of regional office departments and their subordinate heads of district office departments. Thirteen ministries and three other central bodies have sections in regional and district offices.

The Ministry of the Interior of the Slovak Republic coordinates the activities of ministries at the regional and district levels through regulation and supervision. The ministry manages an automated information system on local state administration, training of staff, control and inspection of records and the employment of representatives of the Ministry of Finance. The Ministry of the Interior also establishes binding organizational structures for regional and district offices that allow no flexibility for adaptation to local conditions (including a predefined number of employees within departments). For these reasons, it may be more appropriate to characterize...
the establishment and functioning of regional and district offices as deconcentration rather than decentralization of state administration.

2.4.2 Local State Administration and Local Self-government

To explain the specific features of relationships between local state administration and local self-government the principles, organization and responsibilities of local self-government in Slovakia are described below, as well as the responsibilities of respective institutions of local public administration (regional and district offices). The relations among public administrative bodies are demonstrated in figure 7.2, which describes the basic links within this system.

There are three types of municipalities in Slovakia: the standard municipality with a municipal council (board of representatives) and mayor; the city municipality with a municipal council and lord mayor; and two specific municipalities—the cities of Bratislava and Košice—which are city municipalities (with municipal councils and lord mayors) and the subdivisions of which are also municipalities (with councils and mayors).

It is also necessary to describe the system of appeals among the levels of local public administration decision making.

- If a decision is made in the first instance by the mayor or council of a municipality, the appeal is decided by a section of the district office applying the “cassatio” principle.
- If a decision is made in the first instance by a section of the district office, the appeal is decided by a section of the regional office applying the “reformatio” principle.
- If a decision is made in the first instance by a section of the regional office, the relevant ministry applying the “reformatio” principle handles the appeal.

All valid decisions of municipalities and state authorities may be reviewed in court on the basis of the “cassatio” principle, if two stages of the appeals process have been completed. Remedy must be requested through the appeals procedure before the issue is brought to court.

Currently the division of responsibilities between the state administration and self-government does not represent the typical pattern characteristic of most western systems. Several tasks, like education, health care and other social services, are still the responsibility of the state. Several limitations exist that prevent this situation from changing in the short-term. The most important are listed below.

1. The system of local self-government is nonintegrated. As mentioned, there are many very small municipalities in Slovakia, the economic capacities of which are limited.

2. As a result of previous developments, the system of public services is very unstable. Due to allocative and technical inefficiency, large internal debt for services and supplies provided by public sector industries has been incurred. For example, internal debt within the health care sector is estimated to be between SLK 10 and 15 billion (USD 0.3 billion)—about one-fourth of total annual expenditures. The system must be stabilized before the further transfer of responsibilities to self-government can occur.
3. Regional self-government has not been established yet. It would be very problematic to transfer several “large scope” responsibilities, like secondary education, to municipalities.

*Figure 7.2*

**Relations among Public Administrative Bodies in Slovakia**

It is also doubtful that the transfer of responsibilities to self-government structures will be one of the priorities of the next stage of reform. There is strong evidence that many western patterns and examples do not function effectively in transitional countries, and structural changes are not always the best tools for increasing efficiency, effectiveness and economy.

Several forms of cooperation exist between state administration and self-government. State bodies provide municipalities with assistance on professional issues, data required from records maintained by state bodies and professional training for municipal employees and members of municipal councils (especially the Institute for Public Administration).
The main municipal partners of the state are district and regional offices, which according to their respective laws cooperate with other state bodies, bodies of self-government and other legal entities on the following issues:

- fulfillment of common tasks;
- compliance with the law and maintenance of public order;
- protection of the rights and freedoms of the population;
- protection of healthy conditions;
- instances of extraordinary events.

The regional office is responsible for economic and social development of the respective territory, especially through the implementation of development concepts of individual areas within its region concerning education, culture, tourism and state care for youth and physical culture. For these purposes it cooperates with all municipalities in the region.

The district office has immediate, daily contact with municipalities, especially concerning the following issues:

- representation of the state in development concepts of individual areas of municipal life and in discussions on territorial planning;
- preparation of programs of socioeconomic development of the district and coordination of all initiatives in this respect;
- consideration of appeals in matters decided at the first level by the municipality, unless otherwise stipulated by law;
- provision of professional assistance in the application of legal regulations, especially in areas where the municipality performs tasks of state administration;
- provision of data, if requested;
- notification of deficiencies in municipal activities.

Regular meetings of representatives of district offices and of municipalities are common.

3. Local Politics, Decision Making

3.1 System of Local Elections

The elections of municipal self-government bodies are regulated by Slovak National Council Act No. 346/1990 on Local Government Elections and later regulations. For the purpose of elections municipalities are divided into wards with up to twelve mandates each. Elections are held on a simple majority basis, which is uncommon in Central and Eastern Europe. In accordance with the above-mentioned law, a citizen with the right to vote may be elected to the municipal council. Every citizen of the Slovak Republic eighteen years of age by the day of the elections with permanent residence in the given municipality has the right to vote for municipal self-government organs. A citizen twenty-five years of age by the day of the elections with the right to vote may run for the position of mayor or lord mayor.
Political parties or their coalitions registered by the Ministry of the Interior may submit a list of candidates for election to municipal self-government bodies. Independent candidates may stand for election on their own nomination, supported by a petition signed by voters. Each candidate must sign a declaration of consent to stand for election, affirming that he or she did not agree to be included on another candidate list and that there is no obstacle to his or her knowledge that would make him or her ineligible for election.

A member of municipal council may not be:
- a judge;
- a prosecutor or an investigator in the prosecutor’s office;
- a member of the armed security corps or prison and justice guard;
- a staff member of the apparatus of the municipal council for which the candidate is running or the chief auditor;
- a mayor (or lord mayor).

The mayor (or lord mayor) also may not hold any of the above posts.

The state budget covers all technical expenditures in connection with municipal elections for council and mayor. Political parties and independent candidates must cover the costs incurred by their electoral campaigns. According to conditions defined by law, political subjects have equal access to the public mass media during the electoral campaign, and all candidates have equal access to the local media. Municipalities are required to allocate space for campaign posters. Public authorities may not provide economic support for candidates standing for election.

According to Slovak National Council Act No. 369/1990 on Municipalities and later regulations, the term of office of municipal self-government organs elected by inhabitants in direct elections—namely, the council and mayor (lord mayor)—is four years.

Local elections were organized on 18 and 19 December 1998 in 2,913 municipalities in Slovakia, and 2,889 municipalities elected mayors or lord mayors. The electorate totaled 4,024,941 citizens, 2,171,344 of whom participated in the elections.

Legal conditions concerning access to elected positions are equal for both sexes, but the percentage of female mayors and representatives is remarkably lower in large municipalities and towns. Women are represented in greater proportions in small municipalities.

The following number of mandates were won in elections to all municipal councils by political parties, coalitions and independents:
- Movement for Democratic Slovakia—8,140;
- Party of the Democratic Left—5,793;
- Christian Democratic Movement—4,276;
- SMK—3,773;
- Slovak National Party—2,136;
• Party of Citizen’s Understanding—1,041;
• Union of Workers of Slovakia—603;
• Democratic Union—586;
• Democratic Party—534;
• Communist Party of Slovakia (KSS)—458;
• Slovak Green Party—128;
• Slovak Democratic Coalition—125;
• Social Democratic Party—107;
• coalition of the Democratic Party and Christian Democratic Movement—338;
• coalition of the Democratic Union and Christian Democratic Movement—243;
• coalition of the Party of the Democratic Left and Party of Citizen’s Understanding—203;
• coalition of the Movement for Democratic Slovakia and Slovak National Party—181;
• independent candidates—3,177.

3.2 Forms of Direct Democracy, Public Participation in Decision Making

Local referendums may be held at the municipal level. The law calls for referendums on issues related to amalgamation, division or abolition of a municipality; establishment or abolition of local charges, taxes or public allowances; or upon petition of at least twenty percent of the eligible voters of a municipality. The results of such referendums are legally binding. The municipal council can also call referendums on important issues, the results of which are advisory in character. More than one-half of the eligible voters in a municipality must participate in order for a referendum to be valid, and the decision is accepted if it obtains a simple majority of votes.

Other forms of direct participation are listed below.
1. Participation in public meetings organized by a municipal organ for the discussion of any issue of public interest. Every citizen has the right to take part in such discussions, the results of which are not binding. This method is instrumental in determining public opinion on an issue before its adoption.
2. Attendance at meetings of the municipal council (if such meetings are public). Any citizen may take part in discussion and voice his or her opinion on the issues discussed.
3. Submission of a petition, complaint or proposal to a municipal organ, district office, regional office or any state body, including the president, parliament and government.

While forms of direct participation in local decision making exist, citizen participation tends to be low, especially in large municipalities. The socialist system of councils created for election districts was not replaced by any other functional and regular system of cooperation between elected members of the municipal council and citizens. Regular meetings of elected representatives and their voters are not obligatory, but rather are organized on an ad hoc basis, especially during the period preceding local elections or when important problems arise.
Many local voluntary initiatives have been established, some of which are recognized and supported by local governments, such as “Healthy City, Healthy Community” antidrug use initiatives, cultural initiatives, sport clubs, charities and social work organizations. Most are registered with the Ministry of the Interior as citizen’s associations.

Access to top representatives of the public administration (such as the mayor, vice-mayor, head of regional or district offices and heads of departments of these offices) is limited in principle and based more on personal contacts than a regularized system. Most offices are not “user friendly,” and public officials and administrators have not yet internalized their functions as public servants.

3.3 Internal Structure of Local Government Decision Making

The decision-making bodies of the municipality are the municipal council (board of representatives) and the mayor. The members of the municipal council are elected on the basis of general, equal and direct voting by secret ballot. A high percentage of councilors represent political parties, especially in large cities. This situation introduces an important dilemma: is the municipal council member more responsible to voters or to his or her respective political party or coalition? The real extent and quality of local democracy differs among municipalities. Political party “games” are typical in large cities, and accountability to inhabitants is better developed in small municipalities, as demonstrated by the results of the December 1998 elections; the proportion of independent mayors and councilors elected in small municipalities was significantly higher than in large municipalities (all newly elected lord mayors in cities that are the seats of the respective regional office were proposed by coalitions). Political parties form coalitions on the local level, but their composition is different from those existing (and institutionalized) on the national level. Parties represented by parliamentary coalitions are often in opposition to those in municipal councils, and in fact, some parliamentary opposition parties form local coalitions.

The mayor is elected by the citizens of a municipality on the basis of general, equal and direct voting by secret ballot. The mayor represents the municipality in all matters. He or she has decision-making authority in matters of municipal property and in organization of the municipal administration. Some tasks may be transferred to the chair of the municipal office or to other persons in the municipal administration. The mayor is the supervisor of the municipal office and exercises employer’s rights concerning all municipal employees.

According to Slovak National Council Act No. 369/1990 on Municipalities, the municipal office is the executive organ of the mayor and of the municipal council that manages administrative and organizational matters. The work of the municipal office is supervised by the mayor and, in municipalities with large populations, by the chair of the municipal office. The municipal council determines the organization of the municipal office, remuneration of its staff and the technical facilities necessary for its activities.
The municipal council appoints:

- the head of the municipal office on proposal of the mayor;
- the chief inspector of the municipality;
- the chief of municipal police on proposal of the mayor.

A municipal council may decide to establish advisory bodies—the executive board and executive committees or commissions—though there is no legal obligation to do so. The executive board is an advisory body to the mayor; executive committees are advisory bodies to the council.

The members of the executive board cannot exceed one-third of the total number of representatives to the council and are elected by the council from among its members. Representation of political parties on the board is proportionate to that of the council. The mayor calls meetings of the board when necessary and at least once a month. If the municipal council elects a vice-mayor, he or she is *ex officio* a member of the board.

A commission may be either permanent or temporary and serves as an advisory, administrative or regulatory organ of the municipal council. The municipal council independently decides to establish or abolish commissions according to its needs and determines their composition and tasks. Members of commissions may be councilors and inhabitants of the municipality.

The council elects members of the executive board and commissions by simple majority of the councilors present. Detailed rules of election are stipulated in the electoral code of each municipality, which is adopted by the council.

### 3.4 Ethnic Issues, Multicultural Government

Slovakia’s population includes several ethnic minorities, the largest of which is Hungarian (ten percent of the total population). The Hungarian minority inhabits southwestern, southern and southeastern Slovakia in districts close to the Hungarian border. In some parts of the country large numbers of Roma reside; the populations of some small villages in eastern Slovakia are wholly Roma. The highest proportion of Roma are settled in southern and eastern Slovakia. There are no other locally homogeneous minorities in Slovakia.

The constitution guarantees comprehensive rights to all minorities and ethnic groups, including the right to develop national or ethnic culture, to propagate information in native languages and to create associations and educational and cultural establishments. The constitution defines these as individual, not collective, rights. Because of this principle, the right of representation and participation in political life and public administration is governed by general legal documents with equal validity for each citizen of Slovakia. Thus, there are no special preferences related to participation in public administration for representatives of minority and ethnic groups. One attempt was made to establish such preference through a local election law approved by parliament.
in 1998, but this law was amended immediately after the general elections of September 1998 and never came into force.

A sensitive issue related to public administration is the question of minority languages. According to the constitution, representatives of minorities have the right to use their native languages in administrative matters and to receive education in their native languages. There is strong need to finalize the law on minority languages to provide details for such rights, as some conflicts exist concerning these issues.

3.5 Local Government Associations and International Contacts

The law also regulates cooperation among municipalities for the performance of common tasks. It stipulates that municipalities may form associations to address common interests (consortia), including the possibility to combine financial means and establish common funds. Such cooperation neither is formalized by law, nor necessitates cooperation of the state, with the exception of relations with international agents and associations (cross-border cooperation).

The establishment of associations is voluntarily and often is based on territorial cooperation (regional associations), such as the Union of Towns and the Union of Spa Towns. A decisive majority of towns and municipalities belong to the Association of Towns and Municipalities of the Slovak Republic (ZMOS). ZMOS is the most important interest group in the public administration reform process in Slovakia and was founded in March 1990, before Slovakia even initiated such reform. This association prepared the first concepts for the revitalization of self-government in Slovakia and is the most important independent partner to the central government.

The most common reason for establishing associations is to protect the interests of self-government in a certain territory and to counterbalance the state administration. Other reasons include common historical background and common culture.

Associations of municipalities are recognized as legal subjects of civil law that have their own elected bodies (council, chair, commissions) and whose members voluntarily may join or cancel their membership. Associations approve their own statutes, which formulate the basis for their activities, and are registered with state bodies. Activities are financed by their own contributions without state subsidization.

No special provisions exist for associations of local authorities or for their relationship with government authorities; under the constitution they are given the right of association under the same conditions as other subjects of civil law. Their rules of association and procedures of registration are regulated by the Civil Code.

Individual municipalities may establish “friendship” or “twinning” relationships with municipalities in other countries. These relationships are initiated on a voluntary basis and by
bilateral agreement. In the past, such relationships received governmental support and were mediated by the Ministry of Foreign Affairs.

Other relations, especially participation in international associations of municipalities, cross-border cooperation and similar activities, are not yet highly developed due to insufficient legal basis.

4. Local Administration, Service Provision

4.1 Structure and Operation of District and Regional Offices

According to National Council Act No. 222/1996 on the organization of local state administration, heads appointed and removed by the government manage regional and district office activities. The heads of regional and district offices are political representatives of their respective national political parties. Departments for individual areas of administration are established within regional and district offices. The head of the regional office appoints regional department heads with the approval of the relevant minister. The head of the district office appoints district department heads with the approval of the relevant regional office head. The heads of regional and district offices are responsible in their activities to the government, except for administrative tasks supervised by department heads. On these issues, regional and district office departments independently act and decide on administrative-legal matters, with certain exceptions that are specified by law. The office head is the supervisor of department heads and all employees.

Regional and district offices are financed by the state budget of the Slovak Republic. Their heads exercise decision-making authority in legal-labor matters related to the activities of the office and assigned property of the Slovak Republic; they have the right to use state property within their territory to fulfill their tasks. As mentioned previously, most managerial responsibilities for public service departments realized by district or regional offices are executed on the principle of line responsibility (ministry—head of department of regional office—head of department of district office). Responsibility for financing public services is divided between the head of the sectoral department and the head of the financial department according to the organizational structure of the office.

Regional and district office departments are responsible for state administration within their respective areas and can be characterized as deconcentrated bodies of the state administration. Within their area they in principle have the same authoritative power over the territory as the respective minister. They may issue binding directives or instructions for all bodies under their authority.

Regional and district offices establish and directly manage a number of organizations providing local public services, especially in education, health care, culture and social care. Concerning education, district offices manage primary schools and decide on the establishment and subsidiza-
tion of nonstate primary schools (private, church and other types). Even so-called “self-managing” primary schools are dependent on the decisions of the respective educational department of a district office; they cannot determine independently the number of teachers hired, their salaries and other issues. In health care regional offices create and indirectly manage hospitals and other state-owned establishments; district offices in cooperation with regional offices administer this network and regulate private primary health care establishments (only establishments approved by the official network may obtain contracts with health insurance companies).

Regional and district offices cooperate with nongovernmental institutions that provide public services but may not interfere in the internal management of such organizations. They also cooperate with other establishments, institutions and bodies providing local public services that are within the competence of local self-governments. The most important types of service delivery are described later.

4.2 Status of Personnel of Municipal, District and Regional Offices

Local elected representatives possess the same rights as every other citizen, especially concerning labor conditions, benefits and taxation, and similarly can be penalized for crimes and offenses. While exercising full-time public functions, the professional positions of elected representatives are maintained for the entirety of their terms of office; afterwards, representatives may return to their original occupations and employers or are free to pursue any other activity of their choice. They also may resign from their public posts at any time. If a representative takes a leave from his or her regular occupation to execute the duties of his or her elected office, the employer is obliged to allow such leave, and any salary loss, as well as any costs incurred while performing such duties, are refunded by the municipality. Elected representatives have the right to participate in short-term general or specialized training programs organized by the state or private training institutions, but such training is not compulsory. Local elected representatives may simultaneously hold seats in parliament.

Currently there are no special laws defining the system of public service (though a draft bill on state service was considered by parliament in November 1997). Labor relations for state administrative staff are governed by the Labor Code (Act No. 65/1965). Salaries of civil servants are regulated by Act No. 143/1992 Col. on salary and compensation for work in budgetary organizations and certain other organizations and bodies. Act No. 253/1994 Col. determines the status and compensation of mayors and lord mayors. The ranking and salary scale of local state administrative personnel, based on service and qualifications such as level of education obtained, are regulated by Government Ordinance No. 249/1992.

Human resource management and personnel policy development for state administration are not presently managed or centrally regulated. A draft bill on state services envisages the establishment of an office as the central authority for state administration. The minister or head of a central authority decides on staff appointments with the assistance of the personnel department.
director. Thus far, career promotion principles also are not uniformly established. Research was undertaken by the government on this issue, the result of which was the document “Personnel Management in State Administration” approved by the Cabinet in June 1995, which proposes the framework for personnel management in individual central authorities of state administration.

4.3 Control, Audit and Supervision of Local Government

The public prosecutor is responsible for administrative supervision over the government and all state administrative bodies, including municipalities. The prosecutor is appointed and removed by the president of the Slovak Republic on proposal of parliament and is responsible for ensuring the legality of all acts and decision making of state administrative and self-government bodies. In cases of violation of the law, the prosecutor has the power to request that parliament abolish the decision or that the Constitutional Court declare the act unconstitutional. In the meantime, such decisions are suspended until the matter is resolved. In repeated cases of violation of the law, the prosecutor may issue a warning to the administrative body in question, which is obliged to reconsider its actions and remedy them. Determination of the appropriateness of a legal act is considered only through regular procedures on the basis of an appeal submitted by the party in question. Such procedures include two stages of appeals before judicial review of the issue.

An individual may appeal against a decision made by a municipality or state administrative body in the first instance. If the first instance body does not comply with the appeal, it is decided by an appellate body (the district office if the decision was made by a municipality, the regional office if the decision was made by a district office, the ministry if the decision was made by a regional office, the minister if the decision was made by the ministry). An individual may bring the matter to court for review in the second instance.

Under Act No. 369/1990 Col. on Municipal Organization, the mayor may suspend the enforcement of a resolution of the municipal council if he or she believes that it contradicts the law or is obviously disadvantageous for the municipality. If a municipal executive board exists, the mayor debates the resolution before the board. If the enforcement of a municipal council resolution is suspended, the council may revoke it by a three-fifths majority vote of all representatives within fourteen days of the date on which the challenged resolution was published.

The position of chief inspector is established in every municipality. This officer regulates the expenditure of the municipal budget as well as the management of municipal property. Elected by the municipal council for an indefinite period, the chief inspector prepares opinions on the draft budget and financial accounts before they are approved. The inspector is accountable to the municipal council.

Every municipality is subject to independent audit by a member of the Slovak Board of Auditors. The audit is approved by the municipal council, and its results are publicized. The state does
not have the right to intercede in local budgetary and financial decision making. Financial data provided by municipalities is used in statistical analysis for strategic development of the state and for determining the allocation of subsidies to municipalities by parliament. Other forms of control over decision-making, administrative and financial activities of municipalities do not exist.

4.4 Local Service Delivery

As discussed earlier, the system of service provision in Slovakia is a relatively specific one. Because regional self-government has not been created yet, and because regional and district offices are deconcentrated state administration bodies, we can distinguish only state, local self-government and shared responsibilities.

4.4.1 Regional and District Offices

The system of local service delivery was described previously to a certain extent. Its specific features in the Slovak Republic are the dominance of traditional forms of service provision and a relatively low proportion of services provided by private sector organizations (with the exception of health care). Following are descriptions of the most important sectors of local service delivery: education and health care.

State-owned primary and secondary schools support more than ninety percent of all educational services. A small number of semi-private schools and a network of church schools, both subsidized by the state, also have been established. Regional and district offices allocate state subsidies to nonstate schools and are responsible for school inspection, including regulation of the contents of curricula and quality of education and staff. Universities are also state-owned budgetary organizations, financed and managed by the Ministry of Education, and thus are subjected to the same restrictions as lower-level educational institutions.

All state-owned primary and most secondary schools are budgetary organizations and may be divided into two groups: directly managed and self-managed. Directly managed schools in principle do not have any economic independence; district offices administer their budgets. Self-managed schools administer their own budgets, but their financial responsibilities are very limited in reality, as they are obligated to comply with very detailed financial regulations. Financial rules and management within this system are very rigid, providing little incentive to increase efficiency and cost-effectiveness. Any independent earnings of these budgetary organizations are considered to be revenues of the state and (with some exceptions) cannot be reinvested in these organizations, but rather are reallocated to the state budget. No particular regulations exist on the distribution of funding to schools from the regional or district offices, which is decided subjectively by the relevant officials.

More than ninety percent of all general health care is supplied by private practitioners, and the same will soon be true for specialized ambulatory care. In principle many large health care
facilities (clinics and hospitals) are state-owned semi-budgetary organizations. The running expenditures of these establishments are financed via a system of compulsory health insurance based on reimbursement for services by insurance companies. Investments in state-owned facilities are financed from the state budget. Decision making and financial management of state-owned health care facilities are much more independent from state administration, but many limitations remain. For instance, salaries are fixed by binding regulations, and the directors of such facilities are appointed by the state administration.

4.4.2 Local Self-governments

Contrary to the state system of local service delivery, the system provided by local self-governments is much more flexible. In principle all forms of both traditional and alternative service delivery exist on this level; the most frequent types of provider include:

- municipal offices;
- municipal limited companies, joint-stock companies and cooperatives;
- organizations subsidized by the municipality;
- communal foundations;
- communal noninvestment funds;
- communal nonprofit organizations;
- municipal budgetary organizations;
- natural or juridical persons engaging in business activities under a trade license.

The system of local service delivery was developed in a disorganized and voluntary manner with disregard for the theoretical and practical experiences of the developed countries of Western Europe and transitional countries of Central Europe. Research has not been conducted and, hence, data does not exist on the proportions of delivery by the various types of providers. Thus, only problems and selected examples can be used to describe the current situation.

Each municipal government and mayor is fully responsible for decisions on the method of service delivery; there is little tradition of evaluation of the effectiveness and efficiency of their decisions. Methods such as compulsory competitive tendering, “best value” approaches, et cetera are not developed or implemented. In such a situation, some modifications on traditional service delivery have resulted in increased efficiency, some have failed, and some simply have provided “channeling” of public money to support private interests.

Privatization in particular has been understood and executed poorly by local decision-making bodies as simply the organizational change of ownership, rather than a complex procedure resulting in different formulations. Privatization has been accomplished at different rates in various branches of the local economy. One example is the housing sector. In 1991, when the last census was conducted, its ownership structure was composed of:

- family houses—50.2 percent;
- cooperative houses—22.1 percent;
communal rental housing—21.2 percent;
state-owned rental housing—6.5 percent.

During the period from 1991 to 1994, only 2.25 percent of communal flats were sold to tenants, and the ownership of 0.25 percent was transferred as a result of restitution. Ten percent of cooperative housing was sold. The speed of this process diminished from 1995 to 1998; many families that applied to buy their flats are still waiting, due mostly to unclear ownership of the land on which real estate lies and general bureaucracy.

The numerous types and forms of local service delivery in existence in Slovakia can be demonstrated using the system of waste collection in selected cities in 1996 as an example.
1. In Banská Bystrica, three private firms conducted waste collection: PUFEKO (private housing), ICEKO (communal housing) and GAJDOS (cooperative housing). Service delivery was based on contracts between these firms and organizations representing the producers of waste.
2. In Poprad, a municipal firm (a semi-budgetary organization subsidized by the municipal budget) was responsible for this service in 1996. Later, the town created a shareholders company in cooperation with other cities in region and with the assistance of foreign capital investment to provide this service.
3. In Žilina, a private firm provided the service on a contractual basis with the municipality.
4. In Piestany, a municipal and private joint-venture administered waste collection.
5. In Prievidza, a contract was negotiated between the producers of waste and a private limited company.

The solutions presented here are not unique for large cities; the same diversity and methods are apparent in small municipalities as well.

4.4.3 Nongovernmental Organizations

Many nongovernmental organizations are involved in the delivery of local public services in Slovakia, particularly in the fields of social care, culture and sports. They represent a number of types of organizations, especially citizens associations, charities and foundations.

One very important citizen’s initiative addresses housing issues. During the transformation of housing management and the progressive transfer of municipal flats to private ownership, a new institution, “communities of owners of flats and nonresidential spaces in a house” was established. These communities administer a residence if the owners of flats and nonresidential spaces fail to conclude an agreement with other juridical persons concerning housing management and maintenance. The community is a legal entity registered with the appropriate district office. Flat owners may also associate within the terms of the Civil Code.

The previous government did not provide much support for the nongovernmental sector, and as a result, there was a drastic decrease in the number of foundations in Slovakia. The system of
financial support from the state to the nongovernmental sector is unclear and, in many respects, ineffective. Furthermore, legislation on sponsorship does not provide enough incentives for donors to support nongovernmental organizations (the donation is deducted from the tax base and not from the final tax obligation, and its scope is limited to two percent for corporations).

5. Local Finance, Economic Development

In this section, not only municipal but also district and regional finance will be described. The general figures on expenditures by type of administrative unit (regional offices and municipalities) are demonstrated in table 7.1.

Table 7.1
Expenditures by Type of Administrative Unit in Slovakia, 1997–98 [SLK billions]a

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>653.9</td>
<td>717.4</td>
</tr>
<tr>
<td>State Budget Expendituresb</td>
<td>217.8</td>
<td>197.0</td>
</tr>
<tr>
<td>Municipal Expenditures</td>
<td>26.6</td>
<td>27.4</td>
</tr>
<tr>
<td>Regional and District Office Expendituresc</td>
<td>41.8</td>
<td>43.8</td>
</tr>
</tbody>
</table>

b. Social insurance fund expenditures not included.
c. Predicted expenditures for 1999 are SLK 47.6 billion, and for 2000, SLK 46.4 billion.

5.1 Municipal Finance

Slovakia ranks among countries with a relatively low proportion of municipal expenditures to total public expenditures (twelve percent of state budget expenditures and less than ten percent of total public expenditures in 1997). One of the most important reasons for this is its specific system of division of responsibilities, as previously described (for example, direct expenditures of the state for primary education amount to more than SLK 5 billion, or USD 0.15 billion, annually).

The system of municipal finance is a subject of continuous discussion in the development of the local self-government system. Its current characteristics follow.

1. Due to their low proportion of revenues, the financial system of municipalities is unsteady.
2. The economic conditions under which self-governments function are unstable and unpredictable.
3. Independent budgetary revenues are limited to shared taxes, but this element also has not been stabilized; the structure, base, areas and percentage of the municipal share of taxes change frequently.
4. The revenue base of municipalities had been tied to municipal property. The yields of property comprise on average twelve percent of municipal revenue. The role of revenues from property taxation has been overstated. Unsettled ownership relations and the diversity of property structure have undermined opportunities for increased revenue. The sale of municipal property as a source of income has not been envisaged yet.

5. The system of financial equalization is not developed effectively to react to the deepening disparities in the socioeconomic situations of municipalities.

6. The system of capital budgeting is not implemented on the municipal and state administrative levels.

This situation is well characterized in tables 7.2 and 7.3. Table 7.2 presents the relationship of municipal budgets to basic macroeconomics indicators. These figures (and those in all subsequent tables) have been influenced by the following changes.

2. 1994—reform of health care financing (in 1998, more than SLK 40 billion, or USD 1 billion). Social security and unemployment benefits were transferred from the state budget to social insurance funds. A system of twelve state funds was introduced; the aggregate volume of these funds was about SLK 17 billion (USD 0.5 billion) in 1997.

Table 7.2

Municipal Budgets and Macroeconomics Indicators in Slovakia [current prices]

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Revenues [SLK billions]</td>
<td>16.2</td>
<td>20.6</td>
<td>21.0</td>
<td>20.1</td>
<td>22.2</td>
<td>25.4</td>
<td>28.8</td>
<td>28.9</td>
</tr>
<tr>
<td>Municipal Expenditures [SLK billions]</td>
<td>14.3</td>
<td>19.7</td>
<td>19.3</td>
<td>19.1</td>
<td>18.9</td>
<td>23.1</td>
<td>26.6</td>
<td>27.4</td>
</tr>
<tr>
<td>GDP [SLK billions]</td>
<td>319.7</td>
<td>332.3</td>
<td>369.9</td>
<td>441.3</td>
<td>515.1</td>
<td>581.3</td>
<td>653.9</td>
<td>717.4</td>
</tr>
<tr>
<td>State Budget Expenditures [SLK billions]</td>
<td>127.1</td>
<td>123.8</td>
<td>173.4</td>
<td>162.0</td>
<td>171.4</td>
<td>191.9</td>
<td>217.8</td>
<td>197.0</td>
</tr>
<tr>
<td>Municipal Revenues/GDP [%]</td>
<td>5.1</td>
<td>6.2</td>
<td>5.7</td>
<td>4.6</td>
<td>4.3</td>
<td>4.4</td>
<td>4.4</td>
<td>4.0</td>
</tr>
<tr>
<td>Municipal Expenditures/GDP [%]</td>
<td>4.5</td>
<td>5.9</td>
<td>5.2</td>
<td>4.3</td>
<td>3.7</td>
<td>4.0</td>
<td>4.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Municipal Expenditures/State Budget Expenditures [%]</td>
<td>11.2</td>
<td>15.9</td>
<td>11.1</td>
<td>11.8</td>
<td>11.0</td>
<td>12.0</td>
<td>12.2</td>
<td>13.9</td>
</tr>
</tbody>
</table>
Although municipal expenditures have risen, the overall volume of municipal budgets has stagnated or, most likely, has decreased over the course of the examined period. They do not respond to inflation, the negative result of which is decreasing sustainability of financing municipal responsibilities (growth of revenues 1997/93 was thirty-seven percent, and cumulative inflation, between seventy and eighty percent).

Table 7.3 exemplifies the unstable structure of municipal tax revenue and the pressure to increase nontax revenues (sale of property and bond issuance).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>20,996</td>
<td>20,073</td>
<td>22,236</td>
<td>25,424</td>
<td>28,786</td>
<td>28,872</td>
</tr>
<tr>
<td>Tax Revenues, including:</td>
<td>10,945</td>
<td>9,576</td>
<td>8,545</td>
<td>10,163</td>
<td>10,569</td>
<td>11,402</td>
</tr>
<tr>
<td>Shared Taxes</td>
<td>5,647</td>
<td>5,972</td>
<td>5,502</td>
<td>6,280</td>
<td>6,529</td>
<td>7,265</td>
</tr>
<tr>
<td>Inclusively Local Taxes</td>
<td>5,298</td>
<td>3,604</td>
<td>3,043</td>
<td>3,883</td>
<td>4,040</td>
<td>4,137</td>
</tr>
</tbody>
</table>

a. For exchange rates, see table 7.2.

It might be argued that in Slovakia the horizontal equalization system among municipalities is ineffective in reacting to different revenue bases and expenditure patterns. The total amount of general transfers and grants to municipalities in 1996 was SLK 1,373 million (USD 39 million); the state budget accounted for SLK 1,222 million of this figure. Most of these transfers and grants were unrelated to equalization issues. Direct instruments of equalization are transfers for self-governmental municipal functions to support basic management and administrative tasks in small municipalities (in 1996, SLK 253.3 million or USD 7 million). Until 1995, municipalities with populations of up to five thousand inhabitants received this subsidy; since 1996 only municipalities with up to three thousand inhabitants are eligible for such funding. The basis for allocations is decided annually (in 1996, the quality of soil was the basis).

Other indirect tools for equalization are apparent in the system of municipal tax revenues, including coefficients that vary proportionate to the size of the municipality, which change annually. Based on the system of redistribution of shared taxes, revenue from income taxes per capita in 1996 according to the size of municipalities is demonstrated in Table 7.4.
Table 7.4

Municipal Revenue from Income Taxes per Capita in Slovakia, 1996 [SLK]a

<table>
<thead>
<tr>
<th>Type of Tax</th>
<th>Size Categories of Municipalities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0–500</td>
<td>501–1,000</td>
</tr>
<tr>
<td>Income Tax: Individuals</td>
<td>874</td>
<td>869</td>
</tr>
<tr>
<td>Income Tax: Legal Persons</td>
<td>150</td>
<td>156</td>
</tr>
<tr>
<td>Total</td>
<td>1,024</td>
<td>1,025</td>
</tr>
</tbody>
</table>

a. Exchange rate: SLK 35=1 USD.

A sustained scarcity of funds and the acute need to address municipal investment plans were resolved in some cities by issuing municipal bonds. This source of revenue amounted to SLK 40.4 million in 1994, SLK 2,057.7 million in 1995 (of which, SLK 1,800 million was earned in Bratislava), and SLK 842.4 million in 1996.

The strain of maintaining balanced budgets increasingly is addressed by loans. In 1995 municipalities took loans in the amount of SLK 1,447 million and spent SLK 1,136.4 million servicing debts. In 1996, these figures climbed to SLK 2,565.7 million and SLK 1,795.1 million respectively. In 1996, SLK 5.8 million of credit was foreign. Table 7.5 demonstrates the credit burden of Slovak municipalities per capita according the size of municipalities.

Table 7.5

Credit Burden of Slovak Municipalities per Capita [SLK]

<table>
<thead>
<tr>
<th>Year</th>
<th>Size Categories of Municipalities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0–500</td>
<td>501–1,000</td>
</tr>
<tr>
<td>1995</td>
<td>63</td>
<td>139</td>
</tr>
<tr>
<td>1996</td>
<td>106</td>
<td>174</td>
</tr>
</tbody>
</table>

One of the most important problems of rising debt of Slovak municipalities is the use of loans to cover running expenditures, which was one of the stimuli that brought about the development of communal banking. Since 1993, the First Communal Bank (PKB)—with thirty offices nationwide and 526 shareholders, 407 of which are municipalities, in 1997—operates in the Slovak financial market addressing municipal needs. In addition to the basic activities it is obliged to carry out by general legislation, this bank is also involved in the following:

- mobilization of resources of municipalities;
- issue of municipal bonds;
- financing activities targeting revitalization of cities and communities;
- municipal funds;
- depository activity for “urbar” (municipal book on land) companies;
- provision of leasing and counseling activities.
Since 1996, the bank provides long-term credits with eight-year maturity for its clients, setting the credit rating of the applicant. The ultimate rate of interest depends upon credit rating, amount requested and length of credit period. Credits over four years mature at only 0.1 percent more each additional year.

The following state funds are of significance to municipalities:
- State Fund of Environment—financial resources for efforts to protect the environment (SLK 538.7 million, or USD 15 million, available to municipalities in 1996);
- Pro Slovakia Fund—funding to support cultural activities, including restoration and maintenance of historical monuments (SLK 78.5 million, or USD 2 million, available to municipalities in 1996);
- State Water Management Fund—resources to support the construction of water supply systems;
- Housing Development State Fund—incentive to promote housing construction;
- State Fund of Physical Culture—resources to develop and support physical culture.

5.2 Regional and District Finance

As discussed, deconcentrated state administration still is largely responsible for financing local public services, especially education (60.8 percent of total expenditures), social care (24.0 percent), culture (2.4 percent), local public transport (2.2 percent) and financing capital expenditures in health care (0.6 percent). The breakdown of revenues and expenditures of deconcentrated state administration (regional and district offices) is shown in tables 7.6-7.8.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Approved Budget</th>
<th>Amended Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1,208,125</td>
<td>1,151,754</td>
<td>1,412,120</td>
</tr>
<tr>
<td>Expenditures</td>
<td>37,886,412</td>
<td>41,787,291</td>
<td>41,804,232</td>
</tr>
<tr>
<td>Running Expenditures</td>
<td>35,836,956</td>
<td>38,534,033</td>
<td>38,542,489</td>
</tr>
<tr>
<td>Salaries</td>
<td>14,145,748</td>
<td>14,927,683</td>
<td>15,009,234</td>
</tr>
<tr>
<td>Administration</td>
<td>3,639,491</td>
<td>3,945,108</td>
<td>3,932,187</td>
</tr>
<tr>
<td>Transfers</td>
<td>11,439,630</td>
<td>12,214,110</td>
<td>12,164,974</td>
</tr>
<tr>
<td>Subsidies to State Enterprises</td>
<td>800,000</td>
<td>800,000</td>
<td>800,000</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>2,049,456</td>
<td>3,253,258</td>
<td>3,261,743</td>
</tr>
</tbody>
</table>

a. SLK 35=USD 1.
Table 7.7  
Revenues and Expenditures of Regional and District Offices in Slovakia, 1998 [in SLK thousands]a

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Approved Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1,020,767</td>
<td>1,578,497</td>
</tr>
<tr>
<td>Expenditures</td>
<td>39,930,561</td>
<td>43,827,418</td>
</tr>
<tr>
<td>Running Expenditures</td>
<td>38,042,263</td>
<td>41,896,555</td>
</tr>
<tr>
<td>Salaries</td>
<td>15,387,053</td>
<td>16,271,581</td>
</tr>
<tr>
<td>Transfers</td>
<td>11,800,352</td>
<td>14,394,424</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>1,888,298</td>
<td>1,930,863</td>
</tr>
</tbody>
</table>

a. SLK 40=USD 1.

Table 7.8  
Revenues and Expenditures of Regional and District Offices in Slovakia, 1999 and 2000 Budgets [in SLK thousands]a

<table>
<thead>
<tr>
<th>Indicators</th>
<th>1999 Budget</th>
<th>2000 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1,060,050</td>
<td>925,603</td>
</tr>
<tr>
<td>Expenditures</td>
<td>47,621,695</td>
<td>46,482,600</td>
</tr>
<tr>
<td>Running Expenditures</td>
<td>46,078,367</td>
<td>44,698,600</td>
</tr>
<tr>
<td>Salaries</td>
<td>17,316,953</td>
<td>16,667,092</td>
</tr>
<tr>
<td>Transfers</td>
<td>16,887,363</td>
<td>16,553,041</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>1,543,328</td>
<td>1,784,000</td>
</tr>
</tbody>
</table>

a. SLK 42=USD 1 in 1999.

The current system of financial management of regional and district offices is not based on the principle of cost centers (demonstrating full expenditures according to sections). Thus, it is impossible to obtain exact figures on expenditures allocated to each branch of service (education, social care, et cetera). This situation is one of the obstacles to transferring responsibilities from the state administration to local self-government.

From December 1998, the regional office in Banská Bystrica began experimenting with cost centers structure in which each individual sector department represented one cost center. If successfully developed, this experiment will demonstrate the real amount of expenditure for each branch of local public service.
5.3 Participation in National Economic and Spatial Planning

Exercising its self-government functions, the municipality participates in social and economic development planning and spatial and technical development of its territory through:

- the municipal budget;
- real estate and movable property management;
- investment and business activities to meet the needs of its inhabitants and the development of the municipality;
- encouragement of economic activities, especially by issuing binding regulations on investment, use of local resources and entrepreneurial activities;
- territorial land planning;
- conceptualization of the development of individual sectors of municipal life.

The competencies of state administrative bodies concerning economic and spatial planning are regulated mainly by National Council Act No. 222/1996 on the Organization of Local State Administration and by Act No. 50/1976 on Land Planning and Construction Codes. A special act on regional development is in preparation at this time.

On the basis of these acts, the regional office coordinates the fulfillment of common tasks with other state administrative bodies and bodies of territorial self-government concerning:

- economic and social development of the territory;
- implementation of development concepts;
- creation and protection of a healthy way of life;
- development of education, culture, tourism, care of youth and physical education;
- land planning for large complexes.

On the basis of these acts, the district office represents the state in performing the following functions:

- approval of development concepts in individual areas of municipal life;
- discussion on municipal area plans (with the exception of the capital city of Bratislava and the city of Košice);
- preparation of district social and economic development programs and coordination of individual and organizational initiatives related to such development;
- performance of necessary state administrative functions concerning land planning and construction.

6. Next Steps in the Transition Process

As a result of the general elections in September 1998, the political situation changed in Slovakia, replacing the previous government of prime minister Vladimír Meciar with a new coalition of a number of political parties from both right and left wings of the political spectrum.
In this new political situation, the previous plans of public administration reform will be significantly altered, as evidenced by the parliamentary adoption of the Slovak Government Policy Program in December 1998. The most important parts of it are quoted here to summarize the trends that can be expected of future reform.

“Based on the political and economic situation, the Government will seek an optimal arrangement of public administration that ensures the basic needs of citizens. This will require a continuation of decentralization of responsibilities of the State to lower levels of public administration while respecting the subsidiarity principle. The Government will direct this process with a view to the overall performance of the economy so that decentralized tasks are allocated appropriate financial resources.

The Government will ensure the ratification of the European Charter of Local Self-government and compliance to the necessary extent with its obligations, and will also ascertain the possibility of implementing other provisions of the Charter in national legislation. Based on analysis and in accordance with the principles of the above Charter, the Government will realize further decentralization of the competencies of local state administrative bodies to territorial administrative bodies and prepared regional administration authorities.

Following the transfer of competencies to territorial authorities, the problem of their financial independence will be solved in order to determine and increase stable financial resources and flows in such a way that state intervention through the system of appropriations is limited in favor of the financial independence of municipalities.

The Government will assess the need to amend the Act on Territorial and Administrative Structure of the Slovak Republic.

The Government will propose to neighboring states that international arrangements be concluded, regulating the forms of and extent to which local and state authorities can develop cross-border cooperation.

The Government will enforce the consistent observance of laws in dealings between authorities and citizens.

The Government will bring state administration closer to the citizens.

The Government will create conditions for the improvement of professional skills of public administration staff and their systematic training and education.”
Recent Publications on Local Government in Slovakia (in English)


Contacts for Further Information on Local Government in Slovakia

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Deputy Representative of the Slovak Republic  
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Hviezdoslavovo nám. 17, 81 102 Bratislava, Slovak Republic

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*Internet:* www.mesa10.sk


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*Fax:* (421-7) 364-256  
*E-mail:* centr@zmos.sk  
*Internet:* www.zmos.sk
Matej Bel University, Economics Faculty

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Institute for Local and Regional Development
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E-mail: capkova@bb.sanet.sk

Department of Public Economics
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E-mail: nemec@econ.umb.sk

Economics University of Bratislava

Address: Dolnozemská 1, 852 19 Bratislava, Slovak Republic

Department of Public Finance, Department of Regional Development
Phone: (421-7) 891-111
Fax: (421-7) 849-270
Annex 7.1

Major General Indicators

Size of territory 49,034 square kilometers

Population density 109.9 inhabitants per square kilometer

Population (31 December 1997) 5,387,650

Age group 1994 1995 1996
0–14 1,225,988 1,195,288 1,164,906
15–49 females 1,399,053 1,414,853 1,428,093
15–54 females 1,539,912 1,556,086 1,571,559
15–59 males 1,654,683 1,674,682 1,694,278
55+ females 608,082 613,557 619,872
60+ males 327,542 328,177 328,317

Aging index 76.3 78.8 81.4

Major ethnic divisions 1994 1995 1996
Slovak 4,590,100 4,599,597 4,608,245
Hungarian 568,714 568,368 568,444
Roma 83,988 85,073 86,383
Czech, Moravian, Silesian 57,654 58,248 58,652
Ruthenian, Ukrainian 31,618 31,962 32,165
German 5,380 5,382 5,373
Polish 3,039 3,090 3,147
Russian 1,711 1,771 1,863
Other 14,003 14,299 14,660

GDP per capita (1997) SLK 121,475

Unemployment rate

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.6</td>
<td>6.6</td>
<td>11.4</td>
<td>12.2</td>
<td>13.7</td>
<td>13.1</td>
<td>11.1</td>
<td>11.6</td>
</tr>
</tbody>
</table>

Inflation rate

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.6</td>
<td>61.2</td>
<td>10.0</td>
<td>23.2</td>
<td>13.4</td>
<td>9.9</td>
<td>5.8</td>
<td>6.1</td>
</tr>
</tbody>
</table>
Table 7A.1
Annual General Government Budget in Slovakia [current prices, in SLK billions]

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>319.7</td>
<td>332.3</td>
<td>369.9</td>
<td>441.3</td>
<td>515.1</td>
<td>581.3</td>
<td>653.9</td>
</tr>
<tr>
<td>State Budget</td>
<td>127.1</td>
<td>123.8</td>
<td>173.4</td>
<td>162.0</td>
<td>171.4</td>
<td>191.9</td>
<td>217.8</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Insurance</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>93.3</td>
<td>110.2</td>
<td>121.2</td>
</tr>
<tr>
<td>Funds Expendituresa</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Revenues</td>
<td>16.2</td>
<td>20.6</td>
<td>21.0</td>
<td>20.1</td>
<td>22.2</td>
<td>25.4</td>
<td>28.8</td>
</tr>
<tr>
<td>Municipal Expenditures</td>
<td>14.3</td>
<td>19.7</td>
<td>19.3</td>
<td>19.1</td>
<td>18.9</td>
<td>23.1</td>
<td>26.6</td>
</tr>
<tr>
<td>Regional and District</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>41.8</td>
</tr>
<tr>
<td>Offices Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Debt</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>130.4</td>
<td>134.9</td>
<td>142.9</td>
<td>135.0</td>
</tr>
</tbody>
</table>

a. Not included in state budget expenditures (pension, sickness, unemployment and health care benefits)
Annex 7.2

Population, Settlements and Administrative Units

Table 7A.2
Settlements/Municipalities by Population Size Categories in Slovakia, 31 December 1997

<table>
<thead>
<tr>
<th>Population Size Categories</th>
<th>Number of Settlements</th>
<th>%</th>
<th>Number of Inhabitants</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–1,000</td>
<td>1,966</td>
<td>68.39</td>
<td>871,275</td>
<td>16.17</td>
</tr>
<tr>
<td>1,000–2,000</td>
<td>544</td>
<td>18.29</td>
<td>766,057</td>
<td>14.22</td>
</tr>
<tr>
<td>2,000–5,000</td>
<td>241</td>
<td>8.38</td>
<td>709,016</td>
<td>13.16</td>
</tr>
<tr>
<td>5,000–10,000</td>
<td>52</td>
<td>6.76</td>
<td>364,389</td>
<td>6.76</td>
</tr>
<tr>
<td>10,000–50,000</td>
<td>61</td>
<td>2.12</td>
<td>1,330,498</td>
<td>24.70</td>
</tr>
<tr>
<td>50,000–100,000</td>
<td>9</td>
<td>0.31</td>
<td>652,850</td>
<td>12.12</td>
</tr>
<tr>
<td>100,000–1,000,000</td>
<td>2</td>
<td>0.07</td>
<td>693,565</td>
<td>12.87</td>
</tr>
<tr>
<td>1,000,000+</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>2,875</td>
<td>100</td>
<td>5,387,650</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 7A.3
Population of Administrative Units in Slovakia, 1997

<table>
<thead>
<tr>
<th>Unit</th>
<th>Largest</th>
<th>Smallest</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipality (excluding cities)</td>
<td>7,063</td>
<td>7</td>
<td>847</td>
</tr>
<tr>
<td>City</td>
<td>451,395</td>
<td>1,406</td>
<td>22,554</td>
</tr>
<tr>
<td>District</td>
<td>163,018</td>
<td>12,848</td>
<td>68,198</td>
</tr>
<tr>
<td>Region</td>
<td>777,301</td>
<td>549,621</td>
<td>673,654</td>
</tr>
</tbody>
</table>
Table 7A.4
Civil Servants and Public Employees in Slovakia

<table>
<thead>
<tr>
<th>Indicator</th>
<th>1994</th>
<th>1995</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed in Economy</td>
<td>2,096,282</td>
<td>2,146,791</td>
<td>2,195,228</td>
</tr>
<tr>
<td>Employed in Public Sector</td>
<td>990,007</td>
<td>867,808</td>
<td>785,408</td>
</tr>
<tr>
<td>Employed in Public Administration, Defense, Compulsory Social Security</td>
<td>72,775</td>
<td>81,539</td>
<td>89,323</td>
</tr>
<tr>
<td>Employed in Education</td>
<td>180,807</td>
<td>183,038</td>
<td>183,234</td>
</tr>
<tr>
<td>Employed in Health and Social Work</td>
<td>129,400</td>
<td>128,166</td>
<td>126,364</td>
</tr>
<tr>
<td>Employed in Other Public Services</td>
<td>67,597</td>
<td>78,179</td>
<td>90,375</td>
</tr>
</tbody>
</table>

a. There is no civil service code in Slovakia and no formal difference among types of public sector employees.

Table 7A.5
Employees in State Administration and Local Self-government in Slovakia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees of Municipalities, including:</td>
<td>51,227</td>
<td>53,981</td>
<td>52,329</td>
</tr>
<tr>
<td>Employees of Municipal Offices</td>
<td>19,993</td>
<td>18,698</td>
<td>17,601</td>
</tr>
<tr>
<td>Employees of State Administration, including:</td>
<td>—</td>
<td>64,170</td>
<td>60,288</td>
</tr>
<tr>
<td>General Administration</td>
<td>—</td>
<td>50,643</td>
<td>56,474</td>
</tr>
</tbody>
</table>
Figure 7A.1
Administrative Map of Slovakia
Annex 7.3

Major Laws on Public Administration and Local Government

The following laws regulate public administration and local government in Slovakia:
b) Concerning the status of municipalities
   • Slovak National Council Act No. 369/1990 on Municipalities
   • Slovak National Council Act No. 377/1990 on the Capital of the Slovak Republic
   • Slovak National Council Act No. 401/1990 on the City of Košice
   • Slovak National Council Act No. 346/1990 on Local Government Elections
   • Slovak National Council Act No. 138/1991 on the Property of Municipalities
   • National Council of the Slovak Republic Act No. 191/1994 on Designation of the Municipalities in Languages of National Minorities
   • National Council of the Slovak Republic Act No. 253/1994 on Legal Status and Salaries of Mayors and Lord Mayors
c) Concerning the status of local state administration (regional and district offices)
   • National Council of the Slovak Republic Act No.221/1996 on the Slovak Republic Territorial and Administrative Organization
   • National Council of the Slovak Republic Act No.222/1996 on the Organization of Local State Administration
### Annex 7.4

Responsibilities of Administrative Tiers

*Table 7A.6*

**Specific Functions of Local Government Units in Slovakia**

<table>
<thead>
<tr>
<th>Function</th>
<th>Municipalities</th>
<th>Regional and District Offices</th>
<th>Central State</th>
<th>Competence</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. EDUCATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Preschool</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>2. Primary</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>3. Secondary</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>4. Technical</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>5. Other, esp. universities</td>
<td></td>
<td></td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td><strong>II. SOCIAL WELFARE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Nurseries</td>
<td></td>
<td>X</td>
<td></td>
<td>elective, direct</td>
<td></td>
</tr>
<tr>
<td>2. Kindergartens</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>3. Welfare Homes</td>
<td></td>
<td>X</td>
<td></td>
<td>exclusive, direct</td>
<td></td>
</tr>
<tr>
<td>4. Personal Services for Elderly and Handicapped</td>
<td></td>
<td>X</td>
<td>X</td>
<td>shared, indirect</td>
<td></td>
</tr>
<tr>
<td>5. Special Services (homeless, families in crisis, etc.)</td>
<td></td>
<td>X</td>
<td>X</td>
<td>shared, indirect</td>
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<tr>
<td>6. Social Housing</td>
<td></td>
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<td>7. Other, esp. social benefits</td>
<td></td>
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</table>
### Table 7A.6 (continued)
Specific Functions of Local Government Units in Slovakia

<table>
<thead>
<tr>
<th>Function</th>
<th>Municipalities</th>
<th>Regional and District Offices</th>
<th>Central State</th>
<th>Competence</th>
<th>Remarks</th>
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<tr>
<td>III. HEALTH SERVICES</td>
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<tr>
<td>1. Primary Health Care</td>
<td></td>
<td>X</td>
<td></td>
<td>indirect</td>
<td>licensing, network</td>
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<td>2. Health Protection</td>
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<td>X</td>
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<td>3. Hospitals</td>
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<td>X</td>
<td>X</td>
<td>indirect</td>
<td>management, capital expenditures</td>
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<td>4. Public Health</td>
<td></td>
<td></td>
<td>X</td>
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<td>state public health bodies</td>
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<td>5. Other, esp. financing of providers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>health insurance</td>
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<td>IV. CULTURE, LEISURE, SPORTS</td>
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<tr>
<td>1. Theaters</td>
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<tr>
<td>2. Museums</td>
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<td>3. Libraries</td>
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<td>4. Parks</td>
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<td>elective</td>
<td></td>
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<tr>
<td>5. Sports, Leisure</td>
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<td></td>
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<td>6. Cultural Centers</td>
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<td>V. PUBLIC UTILITIES</td>
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<td>1. Water Supply</td>
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<tr>
<td>2. Sewage</td>
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<td>3. Electricity</td>
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<td>4. Gas</td>
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<td>5. Central Heating</td>
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<td>X</td>
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<td>elective, indirect</td>
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</table>
### Table 7A.6 (continued)

**Specific Functions of Local Government Units in Slovakia**

<table>
<thead>
<tr>
<th>Function</th>
<th>Municipalities</th>
<th>Regional and District Offices</th>
<th>Central State</th>
<th>Competence</th>
<th>Remarks</th>
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<tbody>
<tr>
<td><strong>VI. ENVIRONMENT, PUBLIC SANITATION</strong></td>
<td></td>
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<tr>
<td>1. Refuse Collection</td>
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<td>2. Refuse Disposal</td>
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<td>3. Street Cleaning</td>
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<td>4. Cemeteries</td>
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<td>5. Environmental Prot.</td>
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<td><strong>VII. TRAFFIC, TRANSPORT</strong></td>
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<td>1. Roads</td>
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<td>excluding local roads</td>
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<td>2. Public Lighting</td>
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<td>3. Public Transport</td>
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<td>4. Other, esp. local roads</td>
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<td><strong>VIII. URBAN DEVELOPMENT</strong></td>
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<td>1. Town Planning</td>
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<td>2. Regional/Spatial Planning</td>
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<td>3. Local Economic Development</td>
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<td>4. Tourism</td>
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<td><strong>IX. GENERAL ADMINISTRATION</strong></td>
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<td>3. Local Police</td>
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<td>6. Consumer Protection</td>
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</table>