



PROMISE:
Municipal **PRO**perty **M**anagement **I**n **S**outh-**E**astern
Cities

South East Europe

Work Package 4:
*Creating an Inventory and an Accounting
System*

**Report 4.0. Preliminary Questionnaire on the
Recording System of the Municipal Real Estate**



**South East European Development Center
(SEED)
Department of Planning & Regional Development
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Partner's Information

<p>Partner's name:</p> <hr/> <p>Region, Country:</p> <hr/> <p>Date Submitted:</p>	<p>Deadline: November 24, 2009</p> <p>Please note, report has to be returned to the project manager by the date stated above.</p>
<p>Please provide information on the following subjects. Specific instructions, guidelines are provided in each section. If the length of the text is not stated, then your text needs to be as long as necessary in order to provide sufficient information on the topic.</p>	

General Information on the Work Package

Work Package 4 - Creating an Inventory and Accounting System

Aim of the WP4:

Creation of an inventory and an accounting system for the Municipal Property Management

Throughout the implementation of the WP4:

- a) A conceptual framework of recording municipal property inventory will be developed
- b) A conceptual framework for a comprehensive property management and accounting system for the municipal properties will be developed
- c) The municipal property inventory database will be created. It will integrate both the Municipal Data Base and the accounting system
- d) Data collection on municipal properties
- e) Training seminars to staff of municipalities will be organised in order to demonstrate and train them on the use of the developed tools.

Activities of the Work Package 4

Act. 4.1	Developing a comprehensive conceptual framework of recording the municipal property inventory.
Act. 4.2	Developing the conceptual framework for a comprehensive property management and accounting system for the municipal properties.
Act. 4.3	Developing tools for accounting and recording municipal property inventory based on the results of the Activities 4.1 and 4.2.
Act. 4.4	Creating the municipal property inventory database: Collecting data to fill the entries of the inventory and the accounting system.
Act. 4.5	Training Seminars will be organized by the academic partners/research institutes or municipalities, in cooperation with the developer of the tool for the accounting and recording tool, to the staff of the local authorities – municipalities.

Outputs/Deliverables:

1. A comprehensive conceptual framework of recording municipal property inventory
2. A conceptual framework for a comprehensive property management and accounting system for the municipal properties
3. Tools for accounting and recording municipal property inventory based on the results of the activities 4.1 and 4.2.
4. The municipal property inventory database and accounting software
5. Training seminars

Qualitative and Quantitative Results:

- New tools/instruments developed
- Common management system established
- Staff members with increased capacity (awareness/knowledge/skills)

Work Package 4

Report 4.0. Preliminary Questionnaire on the Recording System of the Municipal Real Estate

4.0.1 As a Municipality, have you ever attempted to record the Municipality's Real Estate? If yes, please describe the way you recorded it (on hard copy or digitally).

Box 4.0.1 Attempts to record the Municipality's Real Estate

(max 200 words)

Tirana Municipality has compiled the full list of the public assets that are within the territory under its jurisdiction, including assets which are under its administration and also other assets which it intends to acquire in order to exercise and accomplish better its own functions.

We should mention that this list is continuously identified and updated.

Upon the approval by the Council of Ministers of the final list of public properties/ real estates to be transferred into ownership to Tirana Municipality, the last one begins the process for registering the real estates into its ownership, at the Real Estate Registration Office.

Tirana Municipality has registered its administrative buildings into its ownership at the Local Office of the Real Estate Registration.

Tirana Municipality has sporadically registered into its ownership at the Real Estate Registration Office some objects and terrains for housing and social functions.

The registration at the Real Estate Registration Office is made on hard copy.

The documentation submitted to the Real Estate Registration Office during the registration process is as following:

- The request to register the real estate into the ownership of Tirana Municipality.
- The application for registration and ownership certificate issuance.
- The copy of the Council of Ministers Decree for the registration of the real estate/property into the ownership of Municipality.
- General plan of the property to be registered.
- The plan of the object.
- The form of the real estate inventory, drafted according to the respective instructions.

4.0.2 If there was any attempt, to what extent it was completed? How many Real Estate Assets belonging to the Municipality have been identified and how many of them have been registered in your system?

Box 4.0.2 Recording the Municipality's Real Estate: percentage of completion and number of Real Estate Assets identified and registered

(Number of words: as many as needed in order to provide sufficient information)

All the public properties/real estates are recorded in the Real Estates Register according to the law for "The registration of the real estates".

The registration of the public real estates transferred to Municipality into ownership or into use is carried out by the City Council specifying as owner Tirana Municipality.

The public real estates for which Tirana Municipality has requested their transfer to its ownership are in total 5775 ones.

The process of identification, inventory, and transfer of the state real estate within the territory under Tirana Municipality jurisdiction is still on going.

In the mean time it has completed the registration of some buildings and surroundings of mini municipalities, and some objects and terrains which are needed for the implementation of social, cultural and sport projects or policies.

The public real estates registered/recorded up to now at the Real Estate Registration Office to the ownership of Tirana Municipality are only 22 ones, which makes a very low percentage.

4.0.3 Does the Municipality have a unique system of recording the assets managed by it or there are departments of the municipality that are recording their Real Estate assets in different ways? (E.g. the schools are recording their own RE assets)

Box 4.0.3 Unique system of recording the Municipality's Real Estate?

(Number of words: as many as needed in order to provide sufficient information)

In 2001, the Municipal Council approved establishing a special structure to follow up the process of inventory, transfer and registration of real estate to the ownership of Tirana Municipality.

This structure is named the Property Registration Sector.

The Property Registration Sector has prepared the inventory list through property identification, information from the Real Estate Registration Office, enterprises and institutions, classifying them according to the fields of:

- Administration;
- Education;

- Public Health;
- Agriculture and food;
- Social, cultural and sports functions;
- Public services and local infrastructure
- Housing and civil defense;
- Other fields of local interest;

All these assets are recorded in separate forms.

Also the process of recording the real estates transferred into ownership to Tirana Municipality is carried out/ completed by the Sector of Property Registration.

The system of registering the Municipality's Real Estate at the Real Estate Registration Office is a unique one.

4.0.4 Please provide any information on the inventory/database/software tools used to record the Municipality's Real Estate. A print screen (or an illustration) of your inventory/database/software would be useful.

Box 4.0.4 Information about the inventory/database/software tools used to record the Municipality's Real Estate

(Number of words: as many as needed in order to provide sufficient information + the illustration)

During the inventory process, Tirana Municipality has used the Excel and Access programs in filling the forms with the information collected from Real Estate Registration Office, enterprises and institutions dependant on Tirana Municipality as well as Central Government institutions, according to the fields specified by law.

Later on, with the installation of GIS program, all information and data is transferred to that program.

4.0.5 Please present the categories of entries and the entries per se, used to create the database of your Municipality's Real Estate. Also, please elaborate on any classifications used. This question addresses both the municipalities that use hard copy method, and those that apply the electronic method to record their real estate.

(E.g. the entries can be of physical character, legal, financial, etc.)

Box 4.0.5 Entries used in the database to record the Municipal Real Estate

(Number of words: as many as needed in order to provide sufficient information)

The entries used in the database to record the Municipal Real Estate. The completion of fields with data depends on forms, the information collected from the Real Estate

Registration Office and respectively as following:

- Cadastral zone number;
- The map/plan index;
- Property number;
- Type of property;
- Name of property, owner, address;
- Land parcel size (in m²);
- Building size (in m²);
- Total area size (in m²);
- The function for which the property is used;
- The institution which has administrative responsibility on the property;
- The institution/entity which uses the property; and
- Special notes.

4.0.6 Is there any interaction between the entries of your database? If yes, in which way do they interact with each other? What further information can you obtain from the database, besides the simple characteristics (e.g. physical) of an asset? Is the database linked to a GIS?

Box 4.0.6 The Logical Framework of the Municipality's Real Estate database

(Number of words: as many as needed in order to provide sufficient information)

Based on data entry by the Sector of Property Registration, computer programs (Excel, access), and information from other municipal departments, which are linked to the GIS program, we can get the needed information (physical, technical and statistical etc.) in due time.

For instance, for a school we can search:

The cadastral zone, map index, address, size (terrain and construction), administration, use, construction year, estimated value, number of students, number of teachers etc.

4.0.7 Does the Municipality have an Accounting system for its Real Estate? If yes, which department (agency) is responsible for it and in what way is it recording the financial information? If no, how is the financial information of the Municipality's Real Estate included in the overall Municipality's Accounting? (Financial information could contain, for example, the market value, book value, acquisition cost, rent revenues, paid taxes, depreciation, capital improvement, etc.)

Box 4.0.7 Information on the Accounting system for the Municipality's Real Estate.

(Number of words: as many as needed in order to provide sufficient information)

The real estates into the ownership of Tirana Municipality are recorded by Finance Department of Municipality or Finance Sector of the enterprise or institution which manages or use the asset/property.

The capital transfer of the recorded property to the ownership of Tirana Municipality is done by the Municipal Council.

The finance sector of the enterprise records in the financial registers the total area size in m² specifying the area occupied by the object/building, initial value of the object (the value it had in the year when it has been built), the depreciation value in years, the current estimated value of the object.

The information about size in m² is taken from certification and map issued by the Real Estate Registration Office.

The objects/buildings placed on the recorded/registered properties can be rented/leased.

The register of the objects which are leased/rented has the following data:

Cadastral zone, property number, address, construction area/surface, beginning of the contract, the end of the contract, contract number, the purpose of leasing the object, the name of the company which has hired the object, the name of the enterprise, official document indicating the VAT/Tax number etc.