



GFOA INTERNATIONAL

## Relationships Matter

### Georgia GFA Moves Forward

BY DAVID KHOSRUASHVILI AND TERRI VELASQUEZ

**G**FOA values its relationships with members, and with our partner organizations. Attending GFOA conferences provides an excellent opportunity to meet with other members and to strengthen state and provincial relationships. And one of the unique features of GFOA's annual conference is the many international delegates in attendance.

One of GFOA's valued international relationships, with the country of Georgia, began in 2006. [GFOA has affiliation agreements with public finance associations in other countries as well, including Israel, Sweden, and South Africa.] The next step was forming the Association of Finance Officers of Local Self-Governing Units of Georgia (GFA) in 2007, under the leadership of David Khosruashvili, the association president and chairman. Since then, 99 percent of Georgia's municipalities and 50 member organizations (municipality established legal entities) have become GFA members.

GFA has also established a collaboration agreement with Georgia's State Treasury Department of the Ministry of Finance, solidifying its role

in the government's Public Finance Management Reform Agenda. According to the memorandum, GFA is working on the implementation of new accounting standards for the public sector in municipalities, collaborating with Treasury and the Ministry of Regional Development and Infrastructure. GFA has been recognized as the government's partner organization in implementing the reforms.

GFOA past presidents Tim Grewe and Ken Rust also helped lead the way in establishing a formal affiliation agreement between GFOA and GFA, signed in 2009.

Georgia is a small country located in Eastern Europe, sharing borders with Russia to the north, and Turkey, Armenia, and Azerbaijan to the south and east. Georgia is a developing country that has faced many challenges head on, with the assistance of GFOA and others.

Khosruashvili invited GFOA to attend the 2022 Association of Finance Officers of Local Self-Governing Units of Georgia conference, and GFOA President Terri Velasquez attended. The two-day conference was co-hosted by Poland Aid. More than 300 people attended,

GFA President and Chairman David Khosruashvili and GFOA President Terri Velasquez at the 2022 Association of Finance Officers of Local Self-Governing Units of Georgia conference.

including 67 mayors. Day one focused on "Successful Local Self Government: Challenges and Solutions," and the focus for day two was ongoing training for municipality workers in fields such as accounting, participatory budget, and preschool education. Speakers talked about best practices, the importance of inventorying assets and asset management, retaining municipal workers, building human resource competency through education and training, and implementing new accounting standards and autonomous budgeting for local governments.

The conference included an awards ceremony for finance professionals with outstanding performance, including the municipality with the best budget performance and the municipality with the best financial report. Discussions about common issues and challenges reminded attendees that we learn more when we come together.

Madam President Salome Zourabichvili, the fifth president and the first female president of Georgia, spoke about the importance of local government finance and about the country's challenges and opportunities. She ended her speech by saying true democracy depends on strong, local self-governing units.

Investing in international relationships is an important function of GFOA. Our investment in Georgia many years ago helped establish the GFA. Georgia is growing into a strong democracy with financially sustainable local self-governing units, and the GFA has helped, along with the assistance of the Mayors of Georgia, as it will continue to do. What a difference a relationship makes! 🇬🇪

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