

Introduction

Today, population growth and increased migration to urban areas, leading to an uncontrolled expansion of urban areas, the creation of new settlements, reduction in human welfare, unplanned construction, going to countryside, have made various urban problems for managers particularly in developing countries. Municipalities, as the director and the main affairs coordinator for the city, have a very important role in solving urban problems. Thus, among the various sectors of municipal management, municipal finance and money is of particular importance because on the one hand, municipalities earn and a major impact on the delivery of services to citizens and the lack of sufficient income not only causes the lack of essential services in city, but also make difficulties for implementation of all projects and programs in cities. The lack of consistent and stable income sources will disrupt financial planning and budgeting of municipalities. The main challenge of urban management in the third millennium, will be focused around cost and revenue, local management will be the focus of policy. So the lack of a stable source of income, it can be a source of many problems. In this research, the study and understanding of finance and strategy for sustainable income generation for one of the major cities in the North West of Iran (Mahabad) is discussed.

Materials and methods

Study in the city of Mahabad (within the study area) is done. Research methods applied and descriptive - analytic study. Two methods of data collection as well as documentary and field studies to investigate the causes of reduced revenues and increased costs of the municipality, the municipality. Next, measure and analyze data using municipal revenues and expenses associated with the creation of the era - the city of Mahabad, which was taken to study the creation of municipal finance and income have been survived. Finally, according to the municipality to provide solutions in the field of sustainable income is paid to the municipality

Finding and results

Based on their knowledge of local conditions and the creation of the municipality or the facilities to the city, many ways to earn has taken steps over the years, including seven seasons the most important sources of income are as follows:

- Revenues arising from public duties (continued);
- Revenue resulting from the effects of specific call for city services and income;
- Profit institutions,
- Income from municipal funds and property;
- Concessional assistance – state and public organizations;
- Donations and gifts and assets and
- Other sources.

Creation of municipal revenue

Collect tolls from other institutions:

Revenues have the least side effects of incomes, including side effects, which should have a larger share of the income. These side effects include petroleum, notary duties, tolls, gas, electricity and adverse effects of water - which is essentially a tax on the consumption or sale of goods is considered. The results show that the municipal income collected by other organizations, consistently very small percentage of the total annual income is allocated to municipalities.

$$\frac{586000845}{207356719379} \times 100 = \cdot/227$$

Taxes on buildings and land:

They include the effects of the complications of building permits, the excess compressibility effects, adverse effects on the separation of land and buildings and is immovable transaction. Although the effects of building permit activity in the housing sector may be affected by fluctuations. The results show that the revenue derived from taxes on buildings and land, the city has a significant percentage of the total annual income included.

$$\frac{68203042628}{207356719379} \times 100 = 32/891$$

Taxes on Transport and Communications:

This code includes the effects of income on trading vehicles is only in 1388, only 1/215% of the total revenue is allocated to the municipality.

$$\frac{2521422987}{207356719379} \times 100 = 1/215$$

Revenue arising from the specific effects

Collect tolls by municipalities and other institutions:

Taxes remove parking, Vehicle side effects and complications of annual premiums on fire as a source of income in the past years are part of the revenue code on the effects of fire insurance, no income is unearned. This was the result of a lack of sufficient attention to the issue of municipal parking revenue it is attitude. Very small amount of it in previous years and less than one percent of total municipal revenue in 1389 was nearly 2 percent of the total revenue receipts of Mahabad city.

$$\frac{3717689425}{207356719379} \times 100 = 1/793$$

Collect tolls centralized allocation:

Collect tolls on the municipality's share of aid from customs 12, instead of Bella's aid, helping to fund projects to help utilities and municipalities, as a source of income in this sector.

$$\frac{5395000}{207356719379} \times 100 = 0/0026$$

Revenue derived from municipal property:

Income earned in the city of Mahabad items of income through rental income from machinery and vehicles, revenue from rental of buildings and facilities. Due to the increasing number of vehicles and items of income of urban traffic restrictions and the future will be more sustainable.

$$\frac{27228782471}{207356719379} \times 100 = 13/13$$

Grant aid showed a downward trend in recent years to reach into the self-sufficiency rate cuts over the coming years is the municipality. Thus, this source of variability in income from continuing character in the long - term does not have a stable income to counts.

Property law that accidentally goes to the municipality:

This includes revenue source Commission fined Article 100, right of initiation, fines and civil damages stumpage revenue, resulting from changes in the delay and incurring a fine from 2/5 percent. Commission fines two items of income or earnings resulting from the application of Article 100 in the city of Mahabad are as active income. So despite having a considerable share, the income components are not sustainable.

$$\frac{28528699436}{207356719379} \times 100 = 13/75$$

Other resources:

The creation of municipal revenue, which is revenue from the sale of immovable property and property (land and buildings and municipal facilities) are not obtained a stable income. The city of Mahabad, the total income (100%), about 30 percent of its revenue from the sale of municipal property is acquired so, in the future, risks of waiting municipality Mahabad. Values below the 1389 identified are.

$$\frac{60847135345}{207356719379} \times 100 = 29/344$$

Table 1. Creation of municipal revenue from 01/01/89 to 12/29/89, Source: City of Mahabad, 1390.

	Remained		Description	Row
	Credit	Debtor		
73952445328	-		Revenue arising from public taxes	1
3723084425	-		Income due to specific effects	2
7906404420	-		Cost of revenue and profit	3
2573723258	-		Revenue funds and municipal property	4
27228782471	-		Government grants and organizations	5
30880536221	-		Donations and gifts and assets	6
61091743257	-		Other income	7
207356719379	-		Total	8

Mahabad municipal personnel and equipment: According to figures from the city of Mahabad in August 1390, 148 persons were working in the Mahabad city. The number 7 or 4.7% were illiterate, 60 people or 40.5 percent of the high school (fifth grade, sixth grade, education campaigns, the first guide), 41 people or 27.8 percent of high school, 15 people or 10.1% of associate degree, 20 people 13.5 percent of bachelor's and 5 patients with master are 3.4 percent. A first look at the figures above, what most would consider attractive, professional education, and academic status is inappropriate for employees which in many cases, it can reduce the quality of work in various aspects. In this regard, it is essential that the assignment of tasks to personnel and the private sector and electronic services including cleaning, building permit, etc. as well as mechanization and automation and GIS reduce the size of personnel costs and increase the quality and personnel productivity.

Performance analysis of income and expenditure authority of Mahabad (89-1380): According to studies on the creation of municipal revenues and expenses during the period from 89 to 1380, the income has increased from 11.7 billion Rials in 1380 to

19.54 billion Rials in 1389. This amount is equivalent to a growth of 32.5 percent increase in municipal revenues. The municipal expenditures in the same period (89-1380) grew by about 32.2 percent. The highest growth rate of 78.6% per year, was in 81 -1380. Revenue growth was positive in all years except in 89-1388 and the growth costs have been raising all the time. Administrative expenses in the period increased from 81 to 1380 with growth of 96% in the period 88-1387 and 89-1388 reduction and growth has been negative. Administrative expenses in the period 1380 to 1386 and from 1386 to 1389 experienced a sharp increase in the growth administrative cost is reduced. In terms cost of the city, the highest growth 82 years from 1380, 84-1382 and 87-1386, respectively. Construction costs were high, but during the period 82-1381 89-1388 increased dramatically and has growth of 45.14. The cost for the entire period from 89 to 1380, administrative expenses increased by 7.5 percent, 32.6 percent of municipal spending and construction spending was 59.9 percent. Thus the largest municipal expenditures of Mahabad during this period were the construction costs.

Based on data obtained from field studies and relevant experts, assessing the strengths, weaknesses, opportunities and threats to sustainable municipal finances and income Mahabad are completely in the form of concise and detailed SWOT technique is carried out in the following table.

General side effects of too much reliance on municipal income on land and buildings (more than 32% of income)	W1	Weaknesses	Internal factors
The municipality's failure to obtain renewal of complications	W2		
The high degree of stability in the structure of income municipalities	W3		
The limitation of the capital expenditure	W4		
Lack of cost control management in municipalities	W5		
Limitations of self-assisting of civilian	W6		
Personnel and administrative expenses increased municipal	W7		
Lack of revenues in past periods, even during recessions	W8		
Lack of Hall Community Bank	W9		
Lack of government grant aids income	S1	Strengths	
Approaching self-sufficiency in recent years due to reduced income share of government aid	S2		
Continuous increase in annual revenue and cost of revenue profit agencies, municipalities	S3		

More than 75 percent of the total budget allocated to construction costs	S4		
The possibility of organizing informal jobs and creating new revenue sources for municipalities	S5		
Possible sources of revenue through the development of local complications	S6		
possibility of increasing the share of creation of the income generator facilities	S7		
Possible to reduce the cost of municipal construction, using mechanized systems	S8		
Possible to achieve full self-sufficiency	O1	Opportunity	External factors
Uptrend income of the general effects	O2		
The possibility of using information technology to cut costs and municipal	O3		
Possibility of applying the most advanced and automated systems for municipal office in the municipality in order to reduce running costs	O4		
Possibility to reduce running costs of municipalities, by help to educate citizens	O5		
Efficiency in municipal budgeting system utilizes	O6		
Get away from self-sufficiency in income	O7		
Increasing of donations and gifts during periods	O8		
The increase in the income share of municipal unstable revenues	T1	Threat	
Lack of attention to modernization as a stable income	T2		
lack of investment in economic activity and income with private sector participation	T3		
Lack of income-generating programs	T4		

Table 2. SWOT Table of Mahabad city, Source: authors, 1390.

Conclusion

One of the basic and essential needs of the urban population, live in a clean environment, clean, healthy and enjoying life facilities, including fun and convenient shopping, easy commuting, education, a healthy environment and a peaceful end to the training and education of their children and protection of homes, housing and property, as required by the local member. Accordingly, perhaps the most complete local municipalities can be considered if funding can partially meet those requirements. Today, many municipalities, including the creation of municipalities are faced with the problem of shortage of financial resources to continually been studied in detail in this paper. The present results show that during different period of stable

income (constant) has been declining and income volatility has increased dramatically. So that the increase in the revenue code donations, gifts and assets, sale of municipal property, income pricing services nonprofits are clearly seen. The largest share of the revenues arising from public duties has had effects on buildings and land, but this source of income, rather than as a source of income is unstable. The trend of increase earnings volatility in income municipalities, lack of side taxes of modernization as stable income, reliance on high-income municipalities in the taxes as adverse effects on buildings and land (more than 32% of income), the failure of the appropriate authority in the receiving taxes of Renovation, can lead to dissatisfaction about finance the operation of the municipality. The municipal revenue management platform for interconnected to create a positive interaction between the three categories of urban culture, and the city's citizens.

Finally the best way to increase revenue and reduce costs for municipalities creation is offered:

- Reduce reliance Municipality building and land areas (over 32%) and stable source of income due to a new city,
- Getting more attention, especially with regard to the effects of modernization on significant parts of the city (such as core Azadegan St., Barzan, customs, Independence Square West, Flamingo Gardens, etc.) and the old and worn fabric.
- Reduce the burden on private sector investment in economic activities and the use of national and regional conferences and expert meetings to attract new funds.
- Comparative study of the use of municipal, national, regional and international experiences with the use of new and sustainable income-generating strategies and programs such as waste management.
- Reduce volatility in the municipal revenue system by updating the database properties and identifying all of the taxpayer's property tax modernization to improve coverage.

- Specialized Commissioning Authority recognizes revenue from the city of Mahabad in order to study effective sustainable income.
- Prevent and reduce personnel costs and administrative municipal growth through adjustment of the forces.
- Proper management and control costs through the establishment of the Municipal Office of Special Recognition stable income.
- Increased areas of potential income people in the project definition.
- Investment in real need of assistance and a reduction in municipal financial problems such as building and so on