

Mendel University in Brno

Faculty of Regional Development and International Studies

**THE IMPORTANCE OF THE COMPETITION VILLAGE OF THE YEAR FOR
KRÁSENSKO AREA AS A FACILITATOR OF REGIONAL DEVELOPMENT**

Bachelor thesis

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Brno, 2015

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Acknowledgement

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Abstract

This bachelor thesis is focused on specific municipality Krásensko, which in the year 2010 won the competition Village of the year of South-Moravian region. In this thesis I concentrate on the municipality Krásensko, but mostly on demographic and financial analysis of this municipality, which could be connected with the victory in competition. Main aim of this thesis is to find out, if there are some correlations among victory in competition Village of the year and above mentioned analysis. Further I am looking for how big is the importance of the victory and how it helped or is still helping to develop municipality Krásensko and its micro region.

Key words

Municipality, competition Village of the Year, Krásensko, Development, Rural Renewal Program

Zusammenfassung

Diese Bachelorarbeit beschäftigt sich mit der Gemeinde Krásensko, die im Jahr 2010 den Wettbewerb Dorf des Jahres der Südmährischen Region gewonnen hat. In dieser Arbeit konzentriere ich mich auf die Gemeinde Krásensko, aber hauptsächlich auf die demografische und finanzielle Entwicklung der Gemeinde, die mit dem Sieg im Wettbewerb verbunden sein könnte. Hauptziel dieser Arbeit ist herauszufinden, ob es eine Korrelation zwischen dem Sieg im Wettbewerb Dorf des Jahres und der oben erwähnten Analyse gibt. Weiterhin versuche ich feststellen, wie bedeutend der Sieg war, wie er der Gemeinde Krásensko und ihrer Mikroregion sich zu entwickeln geholfen hat, oder noch helfen wird.

Schlüsselwörter

Gemeinde, der Wettbewerb Dorf des Jahres, Krásensko, Entwicklung, ländliches Erneuerungsprogramm

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1. Introduction

Krásensko is a little municipality, in which I have lived since my birth. This is the main reason, why I choose this topic. I know the municipality more than 20 years, but only from the inhabitant point of view. I was interested to go to the deep and find out interconnection between the victory in competition and the economic and demographic level in Krásensko.

Year 2010 was crucial in Krásensko's history. In that year municipality became proud holder of the title Village of the year of South-Moravian region and advanced to the national round. This competition deals with regional development and focuses on bringing better economic stability into the region. Rural Renewal Program, which competition Village of the year is part, positively influence disparities among municipalities and support balanced development of area. All the supporting programs should lead to improvement of total economy performance.

Another topic, which is crucial in competition Village of the year, is sustainability of rural traditions. This is interconnected with nowadays problem of urbanization or suburbanization, when young people, who originally come from the rural areas, move to the cities for better living conditions. This movement means loss of Czech cultural tradition. That is why one of the biggest criteria of the competition is cohesion of local inhabitants and sustainability of cultural life.

Structure generally comprises of theoretical and practical part. Further is the bachelor thesis divided into three main parts. The first part is devoted to competition Village of the year itself. This chapter consists mainly of history of competition, its promoters and the evaluation process. The second part is concentrating on the municipality Krásensko. This part is mainly about history and primarily about activities of local inhabitants, which led Krásensko to its victory. The last main part of this bachelor thesis is the practical part. The evaluation of the municipality Krásensko, how from the demographic point of view so from the financial one. All evaluation is assessed with respect to victory of title Village of the year in South-Moravian region in the year 2010.

2. Methodology

Methodology of the bachelor thesis focuses on the demographic evaluation and financial analysis of municipality. It is concentrated on a specific municipality named Krásensko. In the year 2010 Krásensko became a winner of competition Village of the year, which is shield by Rural Renewal Program. With the help of demographic evaluation and financial municipality analysis is this bachelor thesis going to find out, if there are any connection between the victory and the local development. There is also a question of regional development within the Krásensko's victory. Result of these analysis helps to find ways how to better develop this municipality and its micro-region.

Demographic analysis approaches two way of analyzing. Firstly the analysis of population base is made. Structure of this area such as natality rate, mortality rate and amount of immigrants or emigrants in the municipality is very important in demographic evaluation. This analysis focuses also on masculinity and feminity decomposition in different age. Histogram is used for graphical representation of sex ratio. The whole evaluation is concentrated to the year 2010, if there were any significant changes or flow of inhabitants with the connection of the victory.

The bachelor thesis carries out the financial analysis. It serves to complex analyzing of financial situation in municipality with respect to the victory in the year 2010. Since the fall of communism era is also municipality considered to be something as an entrepreneur subject. Within the municipality is solved budget analysis, which is very important tool in municipality strategy. Debt ratios signify the effectivity of the municipality. The last part of financial analysis is analysis of monitoring indicators. These indicators are two and are strictly controlled by Ministry of Finance of Czech Republic, which makes them the most relevant.

3. Competition Village of the Year

Competition Village of the Year belongs to the Rural Renewal Program and was founded in the year 1995. Its effort is to highlight the activities of municipalities, emphasize the local traditions and involvement of the local people into social happenings. Competition should contribute to rehabilitation of rural areas, tightening the social cohesion and spiritual life and strengthening its prosperity.¹ Among municipalities are seen big disparities such as size of the municipality, number of inhabitants, their activities, but they also differ in amount of resources with which they manage. That is why the competition Village of the year is not about proving which municipality is the best, but it depends on honest work of municipality's inhabitants as well.²

3.1. History of the competition Village of the Year

From the initiatives of the most active patriots of rural area was in the year 1991 accepted the Rural Renewal Program by Czech government. These efforts culminated in the year 1995, when the competition Village of the year in Rural Renewal Program was announced. Age-old tradition of this competition proves that the efforts of patriots headed by architect Jan Kruml, were not vain. Jan Kruml, one of the founders of competition Village of the year discusses even about folk architecture. Not everything what is modern and new is acceptable for rural areas.³ Declared objective of this competition is to support overall approach of local inhabitants in active participation on development of their municipality and appreciate their work.

The first round of the competition Village of the year was done in 1995. One hundred sixty seven municipalities from eight regions signed up in the very first year. Overall victory went to municipality Telnice from South-Moravian region. At the second place ended municipality Pepčín in Liberec region and the third place gained Bystřice nad Olší from Moravian-Silesian region. In the course of time, the competition started to get bigger response not only from municipality mayors, but also from inhabitants themselves.⁴

¹ STEJSKAL, J. *Patnáct let obnovy venkova : 1991 – 2006 : přehled oceněných obcí zlatou, modrou a zelenou stuhou v soutěži Vesnice roku v Programu obnovy venkova 2002 – 2006*. Praha: Ministerstvo pro místní rozvoj : Spolek pro obnovu venkova, 2007, page 8

² HALOVÁ, Věra. *Liptál: vesnice roku 2006*. Liptál: Obec Liptál, 2008, 11 p. ISBN 978-80-254-7717-5.

³ Server iDNES [online]. Available at: http://bydleni.idnes.cz/hleda-se-vesnice-roku-2009-muze-ziskat-miliony-fme-/architektura.asp?c=A090417_001322_architektura_rez>.

⁴ Viz source No.1

3.2. Characteristic of competition Village of the year

The competition Village of the year is unique opportunity and possibility for every municipality to introduce itself and compare among other ones. The competition is not only about image, how the municipality looks like, if the houses are reconstructed etc. It is mostly about social life, if the society is going well and if people hold the traditions and customs. The objective of this competition is to “*encourage rural inhabitants to active participation on development of their home, publish diversity and variety of pursuing of Rural Renewal Programs and to point out public to importance of rural areas*”.⁵

3.3. Promoters of competition, cooperating offices and organizations⁶

Among promoters of the competition belongs the Ministry for Regional Development, Association for Rural Renewal Development and Union of towns and municipalities of Czech Republic and Ministry of Agriculture. All these institutions mentioned above are situated in the Czech Republic and are Czech institutions.

Ministry of Regional Development belongs to the system of state administration of Czech Republic. Its competence, among others, includes providing informational methodical help to higher territorial self-government units, towns, municipalities and their associations. Ministry annually shield the competition Village of the year in organizational way and appoints its representatives to competition committee how at the level of region so at the national level.



Figure 1 Logo of Ministry of Regional Development

Source: [online]. Available at: http://www.mmr.cz/getmedia/214d208a-9073-4ce0-a453-471ba2aef7f4/mmr_cz_rgb

Association for Rural Renewal Development was founded on 1st June 1993 and is legally registered as a civil association. Its mission is to help with rehabilitation of rural area, contribute with social and spiritual life and support economic stability of rural area. Association tries to support rural area's inhabitants to voluntary activity, participate in municipality development and to be conducive to activities of local and regional associations.

⁵ [online] Available at: <http://vesniceroku.cz/>

⁶ Promoters of competition Village of the year. *Competition Village of the year* [online]. 2011 [cit. 2015-02-23]. Available at: http://www.vesniceroku.cz/29-finaliste-souteze-vesnice-roku-2014-jsou-kompletni/?news_page=

Association was at the present at the birth of Rural Renewable Program as well as at foundation of the competition Village of the year. Association's representatives are members of competition committee. Nowadays the amount of its members is circa about thousand.



Figure 2 Logo of Association for Rural Renewal Development

Source: [online] Available at: <http://www.spov.org/aktuality/default.aspx>

Union of towns and municipalities of Czech Republic unites about two and half thousand towns and municipalities from all parts of Czech Republic. It is national and non-governmental organization. The main emphasis is put on cooperation among municipalities and towns for exchange of good experiences and examples of good work. Union of towns and municipalities of Czech Republic is promoter of the competition Village of the year and its main role is to annually nominate members to the committees.



Figure 3 Logo of Union of towns and municipalities of Czech Republic

Source: [online] Available at: <http://www.smocr.cz/>

Next organization promoting the competition Village of the year is Ministry of Agriculture of the Czech Republic. It is central organization of state administration for agriculture, water issues, food industry, forest administration, hunting and fishing administration outside the area of natural parks. More and more the Ministry of Agriculture tries to focus on connection between agriculture and development of rural area. The year 2007 was the first year cooperating with the competition Village of the year. As well as the other organizations mentioned above the Ministry of agriculture nominate members to committees.



Figure 4 Logo of Ministry of Agriculture of Czech Republic

Source: [online]. Available at: <http://europeancarabidology.eu/ecm-financial-co-organization-by-the-ministry-of-agriculture-other-sponsors/>

Besides promoters of competition Village of the year, this competition has as well its co-promoters. To the main co-promoters belong The office of the President of the Republic, Ministry of Environment, Ministry of Culture, Association of librarians and informational workers, Community for garden and landscape creation, Folk association of the Czech Republic, Association of local self-government of the Czech Republic and appropriate regions in case of regional part of competition.⁷

3.4. Competition's organization, participants and its process

According to the official conditions of this competition municipalities or little towns up to 7 500 inhabitants can be registered. This number is set every year according to the highest number of inhabitants of certain municipality or little town, which does not have a status of a town. Municipalities have to have compiled their own strategic document concerning development of the municipality, then municipality renewable program or program for development of local periphery. In the competition are evaluated municipalities, which apply till 30th April with proper application in certain year.⁸ Applicants have to fulfill many requirements to be able to apply to the competition. Firstly they have to fulfill the application, secondly they have to write the characteristics of the municipality, then they enclose circa 15 photos of municipality, but only in electronic form. Then the municipalities have to defray a fee, which is 2 CZK for one inhabitant of certain municipality and eventually send this all in

⁷ Co-promoters of competition Village of the year. *Competition Village of the year* [online]. 2011 [cit. 2015-02-23]. Available at: http://www.vesniceroku.cz/29-finaliste-souteze-vesnice-roku-2014-jsou-kompletni/?news_page=

⁸ Application. *Competition Village of the year* [online]. 2014 [cit. 2015-02-23]. Available at: http://www.vesniceroku.cz/27-dnes-byl-vyhlasen-dvacaty-rocnik-souteze-vesnice-roku/?news_page=2

form of CD or DVD to the Ministry of Regional Development of Czech Republic to the hand of competition's secretary.⁹

The competition is organized in two rounds – regional round and national round. All registered municipalities are evaluated firstly at regional level. If there is a situation that in one region is more than 30 registered municipalities, chairman of the commission decide about organization of the competition within district rounds. This decision is made mostly because of demanding evaluation. Commission has to visit every municipality and in case of a lot of applicants this could be a problem.

Only one municipality of the region can be part of the national round. It is the municipality, which won the in regional round Gold ribbon. Every year get to the national round maximally 13 municipalities. Within the national round there are evaluated first three places. The winner of national level becomes holder of a title “Village of the year 2015”.

The competition is proclaimed every year at the Day of small municipalities in Prague. Winner of national round goes to the competition named European price of municipality renewal. This competition announces European working company for rural development and municipality renewal (Europäische Arbeitsgesellschaft Landentwicklung und Dorferneuerung - ARGE). Representatives for Czech Republic were middle-bohemian municipality Ratměřice in 2010 and municipality Komňa from Zlín region in the year 2011.

I enclose time schedule of the year 2014 for better imagination of competition organization. In other years the time schedule is more or less similar, that is why we can consider this schedule as representative one.

⁹ Application requirements. *Competition Village of the year* [online]. 2011 [cit. 2015-02-24]. Available at: <http://vesniceroku.cz/prihlaska/jak-podat-prihlasku>

Table 1 Schedule of competition organization

4. 3. 2014	Signing the conditions and announcement of the 20. Year of competition
4.3. - 30. 4. 2014	Accepting the applications
1.5. - 30. 6. 2014	Evaluation of regional rounds
1.7. - 27. 8. 2014	Ceremonial announcement – ceremony and giving the prizes to the winners of regional rounds
1. - 5. 9. 2014	Evaluation of national round Orange ribbon of Czech Republic 2014
31.8. - 6. 9. 2014	Evaluation of national round
2. - 5. 9. 2014	Evaluation of national round Green ribbon of Czech Republic for the year 2014
20. 9. 2014	Announcement of results of national round in Luhačovice
23. 9. 2014	Meeting of winners of Green and Orange ribbon of Czech Republic for the year 2014 in Senate
10. 10. 2014	Special ceremony of announcement of absolute winner in national round in the victorious municipality

Source: http://www.vesniceroku.cz/files/file/2014_VR/2014_podminky_souteze.pdf, page 5

3.5. Evaluation¹⁰

3.5.1. Evaluation commission

The main supervisor in this competition is its director. He/she is appointed by promoters of competition. As a general rule it is one of the mayors of victorious municipality from last years of competition.

Chairman of regional round is appointed to the main tasks of the director. These chairmen can be mayors of municipalities or its representatives that in the past got the rating Gold ribbon. There is certain continuity. Mayor of municipality, which won the regional round, is next year automatically member of regional evaluation commission and another year is he/she appointed by director as a chairman of regional evaluating commission.

¹⁰ Conditions of competition. *Competition Village of the year* [online]. 2014 [cit. 2015-02-24]. Available at: http://vesniceroku.cz/files/file/2014_VR/2014_podminky_souteze.pdf

Regional evaluation commission can have maximally 10 members with voting rights. Members at national level are director of competition, competition secretary and representatives of promoters and co-promoters of competition. National commission, in comparison to regional commission, is allowed to invite experts in case of professional decision making. On national level there are 12 members with voting right.

3.5.2. Evaluation process

Every municipality, which is registered in time and fulfilled all conditions, is visited by regional commission in certain date. Mayor of certain municipality is always informed about this visit before by the competition secretary of regional commission. The information of visit is made so soon so that the municipality can prepare all materials which are needed. Evaluation commission has at one's disposal information from:

- Presentation of municipality (its part are interviews with municipality representatives)
- Tour of municipality
- Other materials, which are part of application to competition

It is obvious that this preparation is very important and plays significant role. Information provided by municipality serves as a basis for evaluation commission.

Every municipality is evaluated in single parts, which are set in advance. These parts are divided into 10 topics. These 10 topics are conceptual documents, social life, activities of inhabitants, entrepreneurship, care of building fund and image of the municipality, civic amenities, engineering networks, energy savings, care of public concourse, natural elements greenness in municipality, care of the landscape, preparing plans and informational technology of municipality. Regional commission chooses one winner, holder of Gold ribbon, which goes to the national round. At the end regional commission constructs Protocol of evaluation of regional round and transmits it to the competition secretary, contestant's municipalities and to press.

When municipalities go to national round, the system of evaluation is analogical as at regional level.

3.6. Ratings, its types and history¹¹

3.6.1. Ribbons

The competition Village of the year celebrated in the year 2014 its 20th anniversary. The longtime development of competition reflects in amount and characters of rating, which are granted. The following ratings are:

- Gold ribbon – absolute winner of regional round, reward 500 thousand CZK
- Blue ribbon – for social life, reward 300 thousand CZK
- White ribbon – for youth activity, reward 300 thousand CZK
- Green ribbon – for care of greenness and environmental care, reward 400 thousand CZK
- Orange ribbon – for cooperation of municipality with agriculture subject, reward 600 thousand CZK

From the beginning of the competition Village of the year are granted Gold and Blue ribbons. One year later in 1996 joined them Green and White ribbon. Last ribbon was added in 2007, when the Ministry of Agriculture entered to the competition as one of the promoters. This is the newest Orange ribbon.

Five ribbons are awarded at regional level from the year 2007. The winner of Gold ribbon has duty to use title “Village of the year xxxx”. If the municipality do not use the title in its full version, the promoters have right to penalize the municipality.

Every municipality is allowed to win in certain year maximally one of the above mentioned ribbons. There is also another limitation for municipalities, which won the Gold ribbon in regional round. These municipalities cannot register to competition for next three years.

3.6.2. Diplomas

Within the competition at regional level are granted as well diplomas. Diplomas are given for modern librarians and informational services, for exemplary leadership of chronicle, for developing folk traditions, for quality of flower decoration in municipality and for exemplary care of historical part of municipality. Blue diploma (for exemplary leadership of library) was

¹¹ Rating of competition. *Competition Village of the year* [online]. 2011 [cit. 2015-02-24]. Available at: http://www.vesniceroku.cz/files/file/2014_VR/2014_podminky_souteze.pdf

granted firstly in the year 2000. Then Green diploma (for developing folk tradition), Brown diploma (for exemplary leadership of chronicle) and Violet diploma (for quality of flower decoration in municipality) were granted in the year 2004.

3.6.3. Extraordinary ratings

Granting of extraordinary prices was added to the evaluation because of very difficult decision making process. Municipalities are often very diverse and sometimes it is really hard to determine, which one is the best. So the evaluation commission has one more opportunity to value the municipalities and give them extraordinary rating. These rating are for instance for exemplary conception of rural area recovery and municipality development, for support devoted to extensive activities of children and youth, for rich social activities of inhabitants etc.

Other evaluations within this competition are namely Price of hope for lively rural area and Gold brick in Rural Renewal Program. The first one is granted for local life and civil societies in municipality and Gold brick wins the municipality with the best realized building piece at rural areas.

The figure below serves for better readability of competition evaluation, where are showed single ratings on national and regional level.

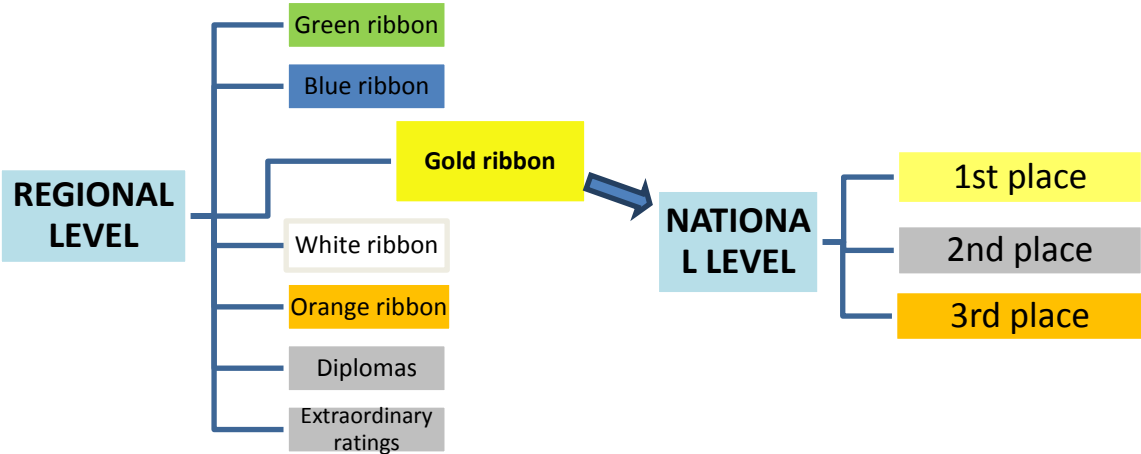


Figure 5 System of competition evaluation

Source: Own creation

3.7. Ceremonial announcement¹²

As the competition is organized in two levels, the ceremonies are also made at national and regional level as well. Regional ceremony is performed from 1. 7. 20XX – 27. 8. 20XX. Its main organization is made by regional winner of Gold ribbon with the financial help of competition promoters and relevant regional office. At regional level can be granted types of evaluation mentioned above in table No. 2.

At national level is this special ceremony done maximally till the end of October. The ceremony is performed in Luhačovice at International festival of children's folk association by Songs and Dance. During this ceremony are granted first three places, but especially the title of Village of the year XXXX.

¹² Ceremony. *Competition Village of the year* [online]. 2011 [cit. 2015-02-24]. Available at: http://www.vesniceroku.cz/files/file/2014_VR/2014_podminky_souteze.pdf

4. Characteristics of municipality Krásensko

4.1. General information about Krásensko¹³

Municipality Krásensko is a small municipality located in the heart of the Drahanian's highlands and in the tight proximity of protected landscape area Moravian karst (approximately 11 km). Municipality territory begins in the area of the brook Malá Haná. Municipality belongs to the Vyškov district (LAU 1)¹⁴ from which is roughly 20 km far. The municipality is also part of South-Moravian region. The number of inhabitants is 418 (1.1.2013). Cadastral area is 7, 25 km². Krásensko is very highly located municipality. It is located 570 meters above sea level. That is why the climate in the winter is very thought, there is higher precipitation and above standard amount of snow.



Figure 6 Blazon of municipality Krásensko

Source: [online] Available at: <http://www.krasensko.cz/>

Municipality Krásensko competed in national competition Village of the year in the year 2010 and won at the regional round. Since that year Krásensko has become proud holder of the title Village of the year 2010 of South-Moravian region. Blazon of Krásensko, which says “Welcome to Krásensko, Village of the South-Moravian region of the year 2010”¹⁵ tourists can meet at the beginning and at the end of municipality.

Structure of municipality consists mostly of family houses and civilian's equipment objects. In the municipality center, at the municipality common and surroundings, there are situated objects as municipality office, municipal firehouse, post office, kindergarten, cemetery and the church of Saint Vavřinec.

¹³ General information. *Krásensko* [online]. 2015 [cit. 2015-05-03]. Available at: <http://www.krasensko.cz/>

¹⁴ <http://www.strukturalni-fondy.cz/cs/Fondy-EU/Informace-o-fondech-EU/Regiony-regionalni-politiky-EU>

¹⁵ The village of South-Moravian region of the year 2010. *Krásensko* [online]. 2015 [cit. 2015-05-03]. Available at: <http://www.krasensko.cz/>

I add table consisting of number of inhabitants from year 1791 – 2011 and right below that table I add the same information, but shown in graphs for better understanding of municipality structure. Firstly you can see separately graphs with number of inhabitants and houses during year and in the last graph are these two indicators put together. Graph with the number of houses shows how the state of houses decreased during The Second World War.

Table 2 Number of houses and inhabitants during years 1791 - 2011

Krásensko in years	1791	1834	1869	1880	1890	1900	1910	1921	1930	1950	1961	1970	1980	1991	2001	2011
Number of inhabitants	350	632	780	793	802	858	851	810	691	344	422	409	446	423	437	410
Number of houses	61	91	100	106	117	134	136	136	143	84	107	113	117	140	147	147

Source: Own creation pursuant internal statistical documents of municipality office in Krásensko

Number of inhabitants from 1791 - 2011

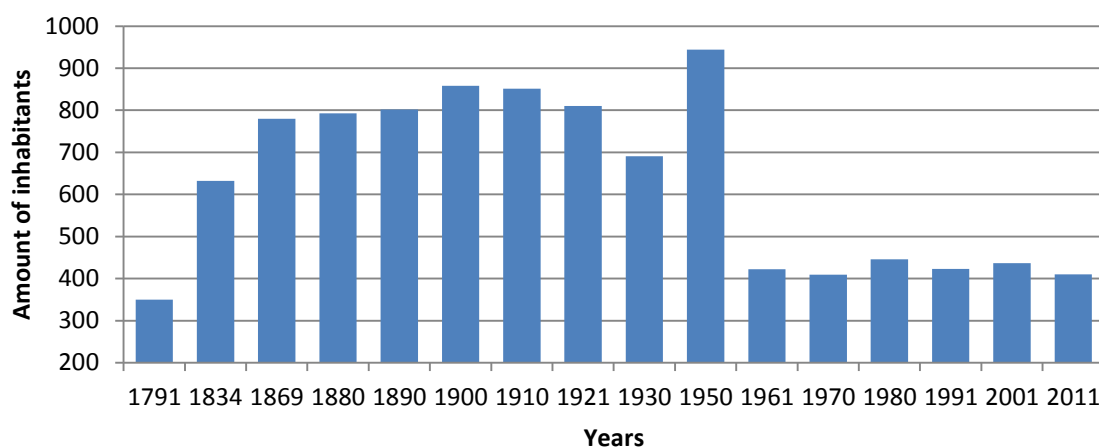


Figure 7 Number of inhabitants from 1791 – 2011

Source: Own creation pursuant internal statistical documents of municipality office in Krásensko

Number of houses from 1791 - 2011

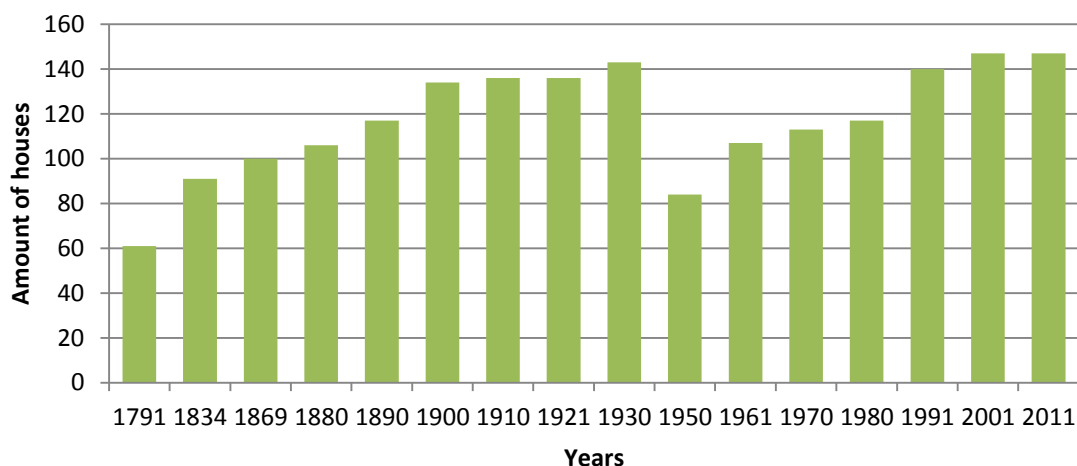


Figure 8 Number of houses from 1791 - 2011

Source: Own creation pursuant internal statistical documents of municipality office in Krásensko

Number of inhabitants and houses from 1791 - 2011

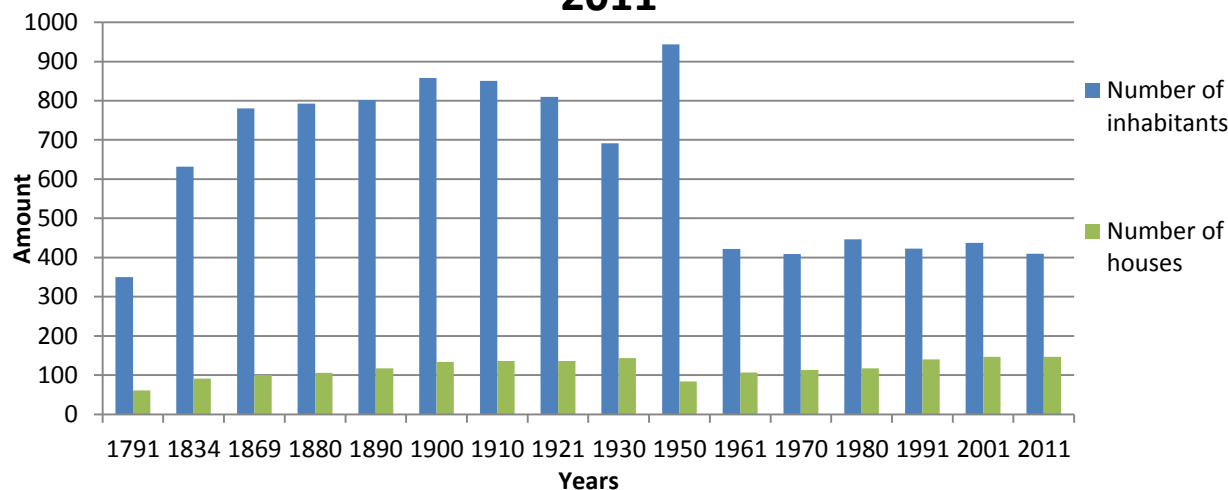


Figure 9 Number of inhabitants and houses from 1791 – 2011

Source: Own creation pursuant internal statistical documents of municipality office in Krásensko

4.2. History of Krásensko

View to the past is unthinkable connected with the question of title of the municipality. The name Schönfeld differs from all surroundings municipalities, which were named after locater.

In case of Krásensko the locator was omitted and the local fields were subject of the new denomination.¹⁶

4.2.1. The beginnings

The very first written documentary proof about the municipality Krásensko comes from the times of Charles IV. The municipality was generally known with the German name Schönfeld from the year 1348. After less than one hundred year later, written document presents the name Beautiful Field, which is the most similar to the nowadays name. The oldest history is linked with the Pustiměř's church history. Next report about Krásensko comes from the year 1390 concerning the occupation of Krásensko's rector's house. There were disputes concerning the questions about who has the right to appoint Krásensko's parsons.¹⁷

Krásensko was apparently founded by German colonists. We can assume that municipality together with vicariate perished during the 15th century, probably during Hussite's wars. The Czech designation is emerging in the year 1465 in the Vyskov's urbar: *"Roads from Brno across the mountains, which leads either to Olomouc or to Prostějov, should toll defense up to Beautiful Fields"*¹⁸ The oldest document of name Krásensko then comes from the year 1581.¹⁹

Then, in the first part of 16th century, Krásensko was in noble court. The most likely holder was nobleman named Jurman. At the end of the same century Krásensko belonged to the Kaspar Lukavec from Lukovice, the member of old bohemian family, on its emblem was otter jumping out from water. Kaspar Lukavec died in 1594. Bishop of Olomouc Stanislav Pavlovsky from Pavlovice refused to bury Kaspar because of his non-Catholic faiths. In spite of this restriction the Kaspar was buried in local church. His gravestone was put into the pavement in the church. In the year 1886, during the overhauls, the gravestone was repaired and moved to the side part of the church. Kaspar Lukavec from Lukovice died without the legal heirs. That is why all heritage accrued to the bishopric of Olomouc. Krásensko belonged to this bishopric from the year 1588 up to annulment of Pustiměř monastery.

¹⁶ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 11-14

¹⁷ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 11-14

¹⁸ LECHNER, K: *Die ältesten Belehnungs – und Lehensgerichtsbücher des Bisthums Olmütz*, Brno 1902, page 127

¹⁹ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 16

4.2.2. Wartime storm

In the year 1312 the army of Jan Lucemburský hauled from the Boskovice through the Krásensko region and further. In the 15th century were as well as in the whole country heard the Husits drums. One century later, in the year 1580, one of the spirituals was murdered during the religion storm.²⁰

The thirty years war (1618 – 1648) caused substantial losses for Krásensko both on property and on human lives. Fear for lives and despair compelled a lot of people to leave their homes and hide in the forests or in more safety places.²¹ The biggest threats for Krásensko meant Swedes, who in the year 1643 conquered among other things even Vyškov. In the time of struggling Prussia with Austria, in 18th century hauled through the Krásensko region the army of the Prussian king Fridrich II., from the beginning they went directly to the Brno and back and thereafter when it was defeated back to the north. During the Napoleonic wars, in the year of 1805 were local mountains and forests full of French.²²

In the thirties of 19th century all Europe was infected by the cholera epidemic and Krásensko unfortunately was not an exception. In the municipality cholera killed 65 persons. Krásensko was not spared also in the question of The First World War. Men had to go to the front and to the municipality was coming one requisition commission after the other. Krásensko was unfortunately involved also in The Second World War. In the years 1941 – 1944 overall 33 municipalities to the west from Vyskov's army training base were, after the German decision, violently evicted. After the end of The Second World War in the May 1945 was Krásensko in ruins. 80 % of municipality was damaged. Despite this disaster everything was slowly restoring. One half of the houses were not able to be repaired and their restoring was forbidden. In the year 1945 only one quarter of the original evicted inhabitants could come back, whose dwellings were not that much destructed.²³

4.3. Radio-communication center Kojál

On the top of Krásensko's we can find monticule, which is called Kojál. Through this place are situated two roads. First leads from Brno to Prostějov, which is known as an old commercial road for many centuries and the second one begins in Vyškov and ends in Sloup

²⁰ History. *Krásensko* [online]. 2015 [cit. 2015-05-03]. Available at: <http://www.krasensko.cz/historie.php>

²¹ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 22

²² MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 22

²³ History. *Krásensko* [online]. 2015 [cit. 2015-05-03]. Available at: <http://www.krasensko.cz/historie.php>

or further in Boskovice. The name of this place is tightly connected with the historical tradition. The old says that in the old times the exchange trade was flourishing between peasants from Haná region and lumbermen from Holštejn. All families travelled because of this trade. Right at the place of the monticule people took rest and mothers suckled their babies. That it is why this place is called Kojál.²⁴

At the end of fifties in 20th century, firstly unknown hill dominating southern part of Drahanian's highlands became European concept, because on its top had grown 322,4 meters high, 2,85 meters width steel construction which served as a television transmitter for the area of whole south Moravia. This mast was for longer time the highest building in Europe, even the well-known Eiffel tower had to be satisfied with the second place. Kojál became the target of tourists and randomly passing through people were fascinated as well.

Within Czech Republic the radio-communication center Kojál belongs to the most significant construction its kind not just in area regarding television and radio broadcasting but concurrently it is very meaningful engineering piece. It is triangular construction anchored by eighteen ropes in six levels to three sides, every time two ropes into one anchored block. On the top of the construction there is antennal extension in the length of 22 meters.

There is always something happens at Kojál. It was in the year 1997, when there were made the construction works together with montage of reserve source of electricity, already the fourth. Existing source was sufficient, but since the Kojál has started to telecast the Czech television's second program and two private radio programs, there was a need of additional source, which covered consumption of only radio broadcasts and program NOVA.²⁵

Currently Kojál broadcasts radio programs ČRo1, ČRo3, ČRo Brno, F1, Impuls and television programs Nova, ČT1 and ČT2.²⁶

4.4. Lipka organization and School Environmental Education Rychta in Krásensko

Rychta Krásensko is school institution for environmental education. It was founded in the year 2001 and takes place in a historical building of former lordly court. This environmental school institution belongs to the Lipka organization. Lipka is the biggest and one of the oldest

²⁴ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 97

²⁵ MLATEČEK, Karel. *Krásensko: 650 let: sborník prací*. 1. Edition. Slavkov u Brna: Soka, 1998, page 97

²⁶ Kojál. *Krásensko* [online]. 2015 [cit. 2015-05-03]. Available at: <http://www.krasensko.cz/kojal.php>

organizations in Czech Republic, which are concerning about the environmental issues, education in this area and whole environmental enlightenment. Lipka tender very broad area of activities such as one-day or multiday ecological educational programs for schools and kindergartens, during which every year more than twenty thousand pupils visit this organization. Lipka has five workplaces, where the children spend their afternoons by playing in learning in the natural scientific or creational course. Further Lipka makes education of environmental issues at universities and also develops pedagogical worker's systematic education. But this organization is very active for public. Every year they hold many events for families with kids.²⁷

*“The main vision of the Lipka is society, which will be sensitive to nature and environmentally-friendly, that there will be almost no need for organizations as a Lipka.”*²⁸ This is the reason of all their effort, to sustain a better world for future generations, to make people know more about environmentally favorable ways of lives.

One out of five workplaces is located in Krásensko. This workplace is called Rychta. Rychta is the oldest residential ecological center in Moravia region. In the year 2012 Rychta celebrated its tenth anniversary. Rychta focuses mainly on landscape – its components, development, ties and connection of landscape with the people. The main activity of Rychta is to organize and realize the ecological educational trip programs during all the years. During the vegetation time of the year Lipka in Krásensko covers excursion into the Moravian Karst and trips all over the Drahaný Highlands and in winter they extend the one-days educational programs. Till the year 2013 workplace Rychta had been carrying on together with Rezekvítek, which is association for ecological education and nature protection.²⁹

4.5. Cultural life in Krásensko

Continuity of local cultural life is huge. Maintaining traditions, restoring old ones, celebrating many fests, sustain customs and also creating new ones. These main ideas lie in the hearts of Krásensko's inhabitants. Cultural life in municipality is very rich and simultaneously very broad term in case of Krásensko. Local people are literally part of many events, which are held annually. These are times when inhabitants hold together to have a fun, to forget the ordinary days and to sustain the municipality traditions for future generations.

²⁷ Lipka. *LIPKA* [online]. 2015 [cit. 2015-05-04]. Available at: <http://www.lipka.cz/>

²⁸ Cit: online : available at: <http://www.lipka.cz/index.php?prac=rychta>

²⁹ Rychta. *LIPKA* [online]. 2015 [cit. 2015-05-04]. Available at: <http://www.lipka.cz/rychta?idm=21>

At municipality office is founded cultural commission, whose members are councilors of all civil association, active groups in field of culture, sport, even parish councilor, which also creates part of local cultural life. On the beginning of the year is created the annual plan of all sport and cultural events, which is published on the municipality website. Simultaneously are the inhabitants invited to these events also by local radio and leaflets. All Krásensko's inhabitants are invited to every event, which makes the cultural life very wealth.

Probably the most famous and favorite attraction in Krásensko is feast celebration. This celebration is traditionally held every year on the letter day of Vavřinec, after which is local church named (St. Vavřinec's church). The feast takes place in the area of Rychta³⁰ and lasts from Friday to Sunday. The closest celebration is set to be from 7. – 9. 8. 2015. Every evening there is music concert, a lot of refection and many other attractions during these days. Unfortunately municipality does not hold the traditional folklore celebrations, which is typical for Moravian culture. It is caused by the specific location of Krásensko, which is located exactly in the middle of two folklore areas. In spite of this unhappy position, we can say that Krásensko's feast celebration is very popular not only among local people and people from surrounding villages. There is no wonder that annually comes to Krásensko especially because of these days more than two thousand people.³¹

Next tradition in Krásensko is playing card games referred to so called "mariáš" or "žolík". Local people meet during the year in order to improve their card skills and primarily to have a fun. They can measure their skills and what they had learnt in the competition held annually. Krásensko's inhabitants love card games that much that they even created the webpage for their special events.

As was already said the cultural life in this little municipality is very rich. It witnesses the group, which is called by them-selves KDO³², which means Krásensko's theatre amateurs. This is the group of people meeting firstly only for having fun. But then actors and actresses with the help of their effort and diligence created the cultural organization which nowadays unthinkable belongs to Krásensko.³³

Further there are many events held traditionally in Krásensko. Every year inhabitants can be part of "burning the witches", "Masopust celebration", "Maypole standing", "Lighting

³⁰ Which is workplace of Lipka organization

³¹ Celebration. *Krásensko* [online]. 2015 [cit. 2015-05-04]. Available at: <http://www.krasensko.cz/hody.php>

³² In czech: Krásenští divadelní ochotníci

³³ Theatre. *KDO* [online]. 2015 [cit. 2015-05-04]. Available at: <http://www.mimr.estranky.cz/>

up the winter tree”, “Krásensko’s trail”, “Plum’s brandy competition” and last but not least the “The three kings charity collection”, during which in January 2015 was collected over thirteen thousands of Czech crowns.

Sport utilization is as well part of the cultural life in Krásensko. Futsal team was founded in the year 2004. Since that time the futsal has been becoming more and more popular primarily because of perfect performance of the team in group A. Nowadays Krásensko’s futsal players represent their municipality in the fourth highest league in Czech Republic. In the year 2006 they expanded team on group B, in which younger players represent the municipality. Next sports are tennis and volleyball. In summer youths can regularly visit tennis school, which is led by professional coach.³⁴

4.6. Transport services

Transport service in municipality is ensured by integrated transporting system JMK. Specifically by firm named KORDIS. In cadastral area are two bus stations. The first is in the heart of the city and the second one is situated out of municipality, near to radio-communication center Kojál. During working days there are sixteen links in both ways transporting people. Transport service of the municipality is currently according to certain conditions and possibilities sufficient and comfortable.³⁵

4.7. Job opportunities

Nowadays local inhabitants use job opportunities mostly out of municipality, namely in Blansko and Vyškov. As well a lot of inhabitants travels to work to Brno, which lies circa forty five km far from municipality Krásensko. Part of locals inhabitants work in neighboring municipality Podomí in company called TAURO or in close municipality Kotvrdovice in company called BEF. Opportunities to work in Krásensko are only to work in agricultural collective farm, few citizens are employed in Center of ecological education and a few is employed in Military forests.³⁶

³⁴ Online : <http://www.krasensko.cz/futsal.php>

³⁵ Source: Internal data from municipality office

³⁶ Source: Internal data from municipality office

4.8. Civic amenities³⁷

In municipality is situated the municipality office, which is located in the middle of the village. It is a new object, which is suitable for current needs and for future needs as well. In the year 2011 was made the reconstruction of municipality's exterior. Another part of administrative in municipality creates the post office, which is located in the same building as municipality office.

Cultural amenities in Krásensko are cultural hall, hall in firefighter's house, local library and St. Vavřinec's church. Cultural hall is situated in Rychta facility. Municipality uses the hall according to lease agreement. It serves for example for theater performance of local theatre group. Hall in firefighter's house is newly created space. It enables to organize cultural and sport events for all inhabitants such as table tennis or snooker. Municipality library is located in the building of kindergarten. In library is except many books even public internet access.

Krásensko is very proud to carry on local kindergarten, which does not serve only for Krásensko's children, but as well for the children of surrounding villages. The capacity is twenty children. In the year 2011 the building of kindergarten underwent reconstruction. In these days it has new exterior, new windows, doors and isolation as well. In the neighboring municipality Podomí is settled the primary school, in which the majority of Krásensko's children study.

Concerning health facilities, the inhabitants do not have to travel far. In the center of municipality is located a private general practitioner in the building of municipality office. Further there is located a private dentist.

Into other services belongs cemetery, which is situated near the church. This facility manages municipality office. In the year 2004 the cemetery was extended for new grave places. Further service facility is firehouse, which lies in the municipality center, near municipality office. In the year 2009 the building was reconstructed and within the reconstruction there was created new cultural hall with gallery and as well there was built up a restaurant.

³⁷ Source: Internal data from municipality office

5. Practical part

5.1. Demographic evaluation

In this chapter I will evaluate demographic data concerning municipality Krásensko. I will focus on the year 2010, if there are some correlations between winning the competition Village of the year in South-Moravian region and inhabitant's movement. All data were derived from the website of Czech Statistical Office. I enclose table with balance of inhabitants from year 2009 to 2013 and below it graph with this balance for better imagination and understanding.

Table 3 Balance of inhabitants in Krásensko from 2009 - 2013

YEAR	Live birth	Death	Immigrants	Emigrants	Increase (decrease)			State of inhabitants to the end of the year	State of inhabitants to the 1. 7. in a given year
					natural	by migration	total		
2009	2	2	9	13	-	-4	-4	408	413
2010	5	3	7	9	2	-2	-	408	411
2011	5	4	8	6	1	2	3	407	405
2012	6	6	20	9	-	11	11	418	410
2013	4	4	6	5	-	1	1	419	416

Source: Own creation pursuant data available at:

http://www.czso.cz/xb/redakce.nsf/i/balance_poctu_obyvatel_v_obcich_jihomoravskeho_kraje

Balance of inhabitants

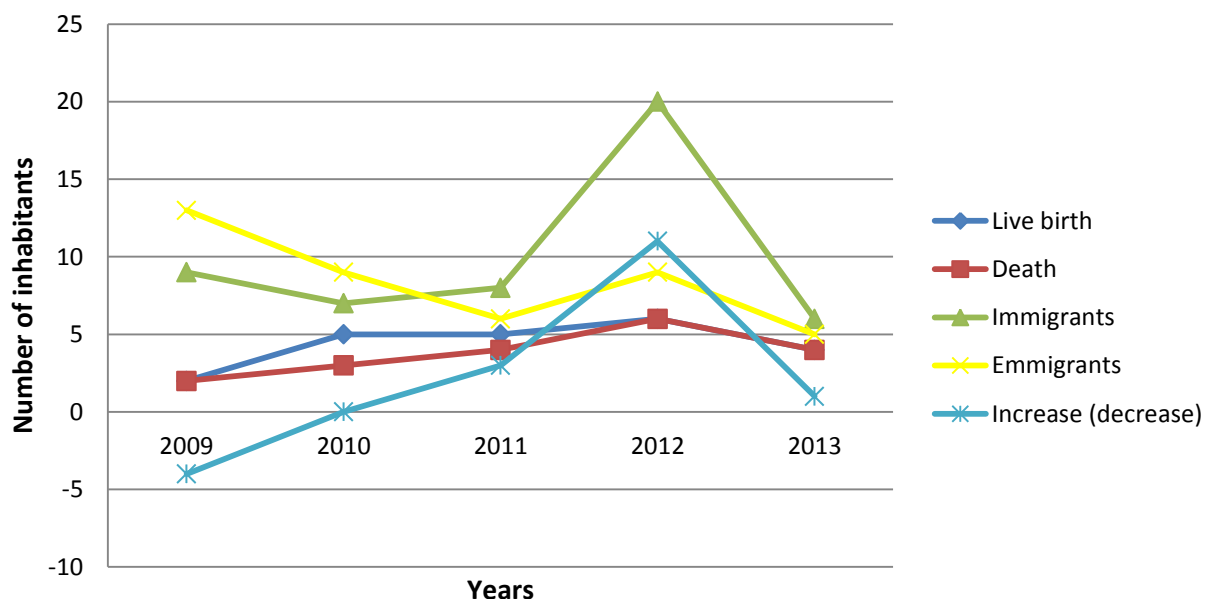


Figure 10 Balance of inhabitants of Krásensko from 2009 - 2013

Source: Own creation pursuant data available at:

http://www.czso.cz/xb/redakce.nsf/i/bilance_poctu_obyvatel_v_obcich_jihomoravskeho_kraje

It is obvious that amount of inhabitants in Krásensko is increasing. From the year 2009 to 2013 it was increase of 11 inhabitants. It is mainly caused by immigrants. The biggest inflow was in the year 2012, which was made by migration. The natural increase is in case of Krásensko negligible. From 2009 to 2013 the natural increase was only 3 persons.

Positive data are concerning also natality in Krásensko. In the municipality is quiet high natality, which was every year higher or the same as the mortality.

In the year 2009 there was the biggest outflow of inhabitants within the years 2009 – 2013. Very positive sign is that from year to year the number of emigrants is decreasing, whereas the number of immigrants is increasing.

For the municipality is favorable to increase number of inhabitants by immigrants. More adult people for municipality means more taxes and fees, which is connected with increase of money in municipality budget and the municipality can therefore develop itself together with developing the micro-region Drahaný Highlands.

In the figures below is shown in graphs total number of inhabitants according to age structure and in the demographic age pyramid is this total amount divided into male and female within the age as well. Both two are stated to 31. 12. 2013.

Number of inhabitants according to age structure

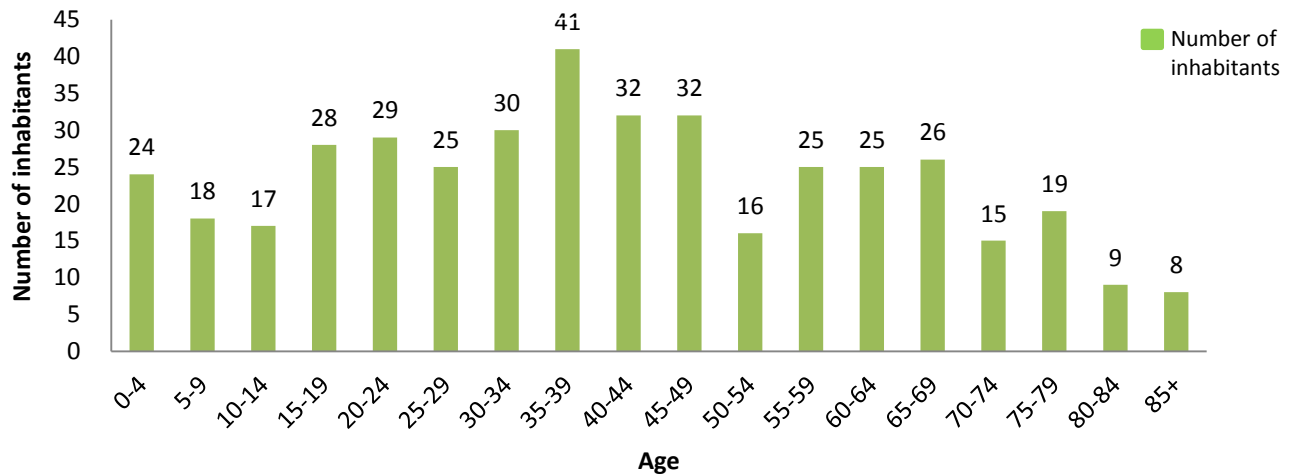


Figure 11 Number of inhabitants according to age structure to 31. 12. 2013

Source: Own creation pursuant data available at: http://www.czso.cz/xb/redakce.nsf/i/mesta_a_obce

Age structure of Krásensko's inhabitants to 31. 12. 2014

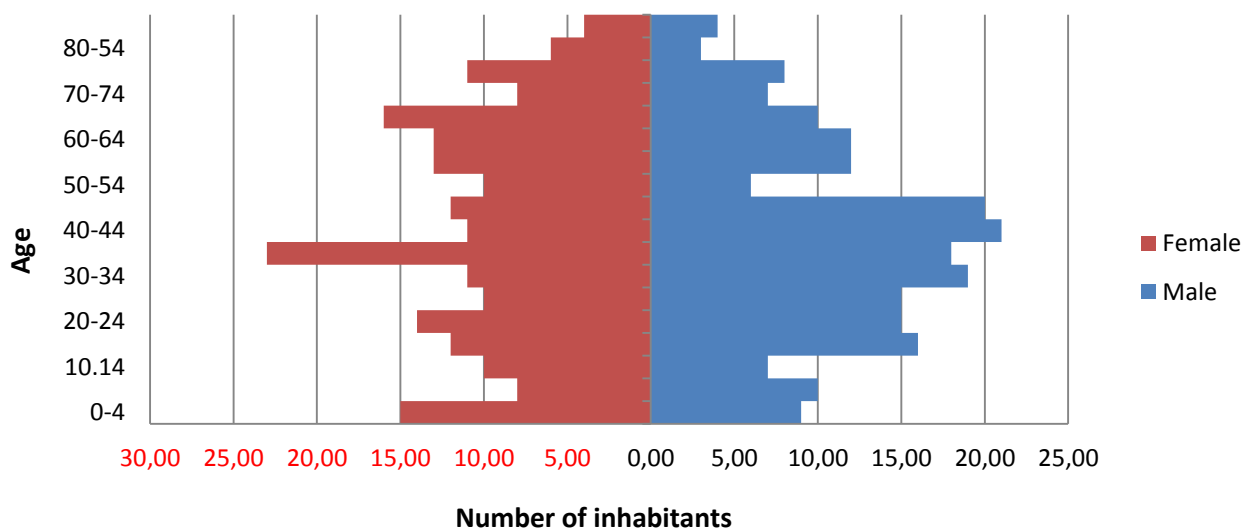


Figure 12 Age pyramid

Source: Own creation pursuant data available at:

http://www.czso.cz/xb/redakce.nsf/i/archiv_vekove_slozeni_obyvatel_v_obcich

Considering data from Czech Statistical Office, which are concerning male and female decomposition in Krásensko, male has a majority out of the total number of inhabitants. Since the year 2008, when there was the same amount of female and male in municipality (206 in both groups) the male has every year bigger share on total amount of people, who has permanent residence in Krásensko. This is unusual state in today's world, but for Krásensko it is very positive for instance in case of natality.

But what is unpleasant and in what Krásensko does not defies from national statistics is age structure. In Czech Republic generally the age structure is regressive. We have low natality and bigger amount of people in non-productive age. In horizon of 20 years this problem becomes serious problem of our republic and nowadays the state is trying to find strategy how artificially increase natality. Krásensko has during the years 2008 – 2013 stable amount of people in productive age (25-64 year) circa about 230 inhabitants. Further there is group of child and youths, which is unfortunately smaller than the group of people in non-productive age, so the Krásensko is not an exception in whole republic regressive age structure.³⁸

5.2. Financial analysis of municipality

High changeability of economic data and problems connected with it, mostly during processing of these data and missing generally valid principle, forced municipalities to start using the financial analysis for evaluation of the municipality economic situation.

There are many ways how to define financial analysis. For instance Mrs. Růčková says that: *“Financial analysis represents systematic analysis of gained data, which are included mainly in accounting statements”*³⁹, whereas Mrs. Knápková defines financial analysis very simply as a set of activities *“serving to complex evaluation of municipality financial situation”*⁴⁰.

In this bachelor thesis the financial analysis of municipality Krásensko will be made as a systematic analysis about the economic situation in municipality serving to overall evaluation of financial situation in Krásensko.

³⁸ Number of inhabitants. *Czech Statistical Office* [online]. 24. 9. 2014 [cit. 2015-03-09]. Available at: http://www.czso.cz/xb/redakce.nsf/i/archiv_vekove_slozeni_obyvatel_v_obcich

³⁹ RŮČKOVÁ, Petra. *Finanční analýza: metody, ukazatele, využití v praxi*. 2011, page 9

⁴⁰ KNÁPKOVÁ, Adriana. PAVELKOVÁ, Drahomíra. ŠTEKER, Karel. *Finanční analýza: komplexní průvodce s příklady*. 2013, page 17

5.2.1. Usage of financial analysis

Financial analysis is one of the most key characteristics of every single economic subject. To the economic subjects of course belong also municipalities and towns or statutory cities. Pursuant knowledge of previous, today's and future expected financial situation we are able to make financial decision.⁴¹ Financial analysis of the municipality therefore serves to evaluate financial management in municipality in past (analysis ex post) and thanks these information is able to predict future financial development of municipality (analysis ex ante).⁴²

5.2.2. Methods of municipality financial analysis

There is no universal and official method of financial analysis. These methods were created and accepted in the course of time as analytical procedures during its proceeding.⁴³ As a basic indicators are considered component indicators. According to the way of its construction, we divide financial analysis into absolute method and relative method.⁴⁴

Absolute method uses absolute indicators. Absolute indicators are further dividing into status, which shows immediate state and flow indicators, which capture development in certain time period. Very useful tool for analysis of absolute indicators is horizontal and vertical analysis.⁴⁵

Method of relative indicators uses and also characterize mutual relationship between two absolute indicators with the help of their share. Helpful tool for this analysis is relative ratio analysis.

Another method of evaluation of municipality is evaluation according to municipality budget. Pursuant to revenues and costs we can derive the information of the municipality budget.

⁴¹ JÁČKOVÁ, Helena. *Podnik jako součást ekonomického systému a vybrané aspekty jeho řízení*. 2010, page 105

⁴² JÁČKOVÁ, Helena. *Podnik jako součást ekonomického systému a vybrané aspekty jeho řízení*. 2010, page 104

⁴³ JÁČKOVÁ, Helena. *Podnik jako součást ekonomického systému a vybrané aspekty jeho řízení*. 2010, page 147

⁴⁴ KRAFTOVÁ, Ivana. *Finanční analýza municipální firmy*. 2002, page 27

⁴⁵ RŮČKOVÁ, Petra. *Finanční analýza: metody, ukazatele, využití v praxi*. 2011, page 41 - 43

5.2.3. Budget analysis

“Municipality budget is very important part in system of public budget in developed countries”.⁴⁶ It is decentralized financial fund, which is very important tool in financial strategy of municipality. Into budget fund are concentrated many kinds of public revenues, then there is dividing of them to financing public estate. It is a balance, which balancing during budget period municipality’s revenues and costs. If the period lasts one year (more usual) it is current budget and when this period is longer than one year, then we call it capital budget. Further the municipality budget fulfills the role of tools, by which the municipality can enforce the objectives of its policy.⁴⁷

Table 4 Cost and Revenues of Krásensko⁴⁸

		2009	2010	2011	2012	2013
REVENUES						
	Tax revenues	3975	3339	3187	3377	4229
	Capital revenues	22	266	6	6	180
	Income transfers	186	812	1354	1412	665
	Non-taxes revenues	468	566	578	540	448
SUM		4651	4983	5125	5335	5522
COSTS						
	Services for inhabitants	2563	2926	3678	2106	2200
	Social staff and employment policy	1	1	1	1	1
	Safety of state and legal protection	130	119	303	277	197
	Industry branches	102	116	1136	103	1325
	General services and public	1453	1567	1160	1313	1305
SUM		4612	4729	6278	3800	5028
Profit/Loss		39	254	-1153	1535	494

Source: Own creation pursuant data from MONITOR MF ČR

The biggest request of municipalities itself is to have balanced budget to have financial reserves. If the municipality has at the end of year financial surplus, it can use it for the beginning of the next year, so there won’t be any need of short-term loans. If we go over to the municipality Krásensko we can see from the table above, that in general from the long-term point of view, Krásensko is almost always, except the year 2011, in surplus. The loss in this year was caused by long-term loan, which Krásensko in this year used.

⁴⁶ PEKOVÁ, Jitka. *Finance územní samosprávy*. 1995. 1. Edition. Prague., page 63

⁴⁷ PEKOVÁ, Jitka. *Hospodaření obcí a rozpočet*. 1997. 1. Edition. Prague., page 108

⁴⁸ All numbers in table are in thousand

In the year 2010 thanks the victory of competition Village of the year of South-Moravian region the Krásensko won 500 thousand CZK. Krásensko municipality council decided not to put this money into the municipality budget or to some project. Krásensko had already gained quite a lot grants from state budget, so they decided to celebrate this special moment in Krásensko's history with local inhabitants. As I stated in the first part of my thesis, that evaluation of this competition is mainly based on activities of local inhabitants, of their cohesion and solidarity. For Krásensko's municipality council was important to increase the cohesion of local people so they decided to donate this price to the inhabitants, by making them a great celebration. That is why the year 2010 is not in bigger surplus than the other years.

5.2.4. Monitoring indicators and liquidity ratio

Liquidity is an ability of municipality to cover their liabilities out of their liquid sources. The liquidity evaluation is based on data from balance sheets. The ratios will be summarized in table below.

The most common liquidity ratios for municipality are current and quick ratios. Current ratios uses even Ministry of Finance of Czech Republic for monitoring of economic situation in municipalities. Municipality, which ratio has value lower than 1, symbolizes municipality as hazardous. Because the municipality Krásensko does not create an entrepreneur activity, they do not have any reserves in assets. This is why the quick ratio is not counted for Krásensko. The liquidity ratios are summarized the table below:

Table 5 Monitoring indicators

Monitoring indicators	2010	2011	2012	2013
Portion of liabilities to total assets (in %)	9,75%	13,46%	7,19%	5,71%
Current ratio	0.17	0,2	0,36	0,78

Source: Own creation pursuant data from MONITOR MF ČR

From the table results that municipality in any year has hadn't enough amount of money from short-term financial assets to cover all short-term liabilities. This situation is not something disturbing in case of municipalities. Only alarming numbers are in the years 2010 and 2011, when the municipality is able to cover only 17 % and 20 % their short-term liabilities by short-term financial assets. In the year 2010 it was caused by increasing of short-term liabilities up to ¼ in comparison to the year before. The positive sign is that from year to

year the ability of municipality to cover the short-term liabilities by short-term financial assets is rapidly increasing. There is a little connection with the competition Village of the year. During the year 2010 municipality used more than ever short-term financial assets for preparation for this competition.

5.2.5. Debt ratios

Debt ratios are the second one from the most important ratios for municipality. By debt municipality is able to create better living conditions for its inhabitants in long term and to increase the better quality of life. It is more effective way than using saving with following investing. It absolutely up to municipality how much wants to be in debt. The debt ratios are shown in table below:

Table 6 Debt ratios

Debt ratios	2008	2009	2010	2011	2012
Total Debt Ratio (%)	16,2%	8,4%	9,9%	20,2%	12,9%
Current debt ratio (%)	11,4%	4,0%	5,6%	4,1%	2,7%
Long-term debt ratio (%)	4,8%	4,4%	4,3%	16,1%	10,2%
Equity multiplier (%)	83,7%	91,6%	90,4%	86,7%	90,9%

Source: Own creation pursuant data from MONITOR MF ČR

Concerning the debt structure of Krásensko it is very positive, that municipality does not build its debt structure on long-term liabilities and long-term bank loans. This is good for the municipality, because they do not have to pay higher interest rate, which are common for long-term liabilities. From financial statements I derived that in years 2008 and 2009 the municipality did not have any long term liabilities, only long-term loans. When there was the year 2010, when the municipality was preparing for competition Village of the year, the long-term liabilities were added to the debt structure of municipality. So in this area we can see straight relationship with the competition Village of the year.

6. Krásensko's past and future development

6.1. Grants and projects⁴⁹

Grants from the state budget have played quiet important role for Krásensko's development in past. The very first grant Krásensko gained in 1999 and the latest in 2012. The biggest amount of money was given to the municipality in the year 2009 in the projects "Nicer Krásensko" within the Rural Renewal Project. In this project Krásensko received 2 808 883 CZK. Other projects worth to mentioned were concerning construction of sport facility center in 2003, repair of local cemetery in 2004, reconstruction of firefighters arsenal in 2007, repair of kindergarten's roof in 2011, repair of local communications in the same year and last but not least the project regarding Krásensko's propagation within the region development. By all these projects is Krásensko not developing only municipality itself, but it develops the micro-region Drahaný Highlands as well.

6.2. Future development

6.2.1. Agrotourism

In case of tourism Krásensko could develop and specified in agrotourism. In municipality we can already find the facility of Lipka organization, where takes place the environmental education not only of children but also education of adults. This creates the biggest inflow of tourist into this municipality.

But there is another place, which could be used for agrotourism and could develop the municipality. This place is called ranch "Kopaniny". It is located in forest near Krásensko, circa one kilometer far from municipality borders. In this ranch are stabled horses and a few times in a year there are performed special events such as horse riding in Krásensko's forests, walk horses for children, trips to surrounding municipalitys and many other activities.⁵⁰

Unfortunately the advertising of ranch is not big. That is why tourist, who visit Krásensko rarely know about this place. The ranch "Kopaniny" would be perfect tool how to develop the local region. It would only need special marketing strategy from municipality office.

⁴⁹ Grants. *Ministry of finance of Czech Republic* [online]. 2015 [cit. 2015-03-07]. Available at: <http://cedr.mfcr.cz/Cedr3InternetV417/CommonPages/SubvenesListPage.aspx?condition=6fab108e-e90d-48eb-ac80-c2872eeec23f>

⁵⁰ Activities. *Tanch Kopaniny* [online]. 2014 [cit. 2015-03-09]. Available at: <http://www.ranch-kopaniny.wbs.cz/>

6.2.2. Bicycle path

To development of municipality would help erection of cycle path, which was moved from the year 2013 to the year 2014-2015. Cycle path starts in Krásensko, leads across neighbor municipality Podomí and end in Ruprechtov. The two named municipality are cooperating municipality. Total costs for this path is 800 thousand CZK. From the municipality budget were determined 650 thousand CZK and next 134 thousand CZK is from dotation.⁵¹ Construction of path will bring tourist to municipality and increase awareness about Krásensko.

6.2.3. Walking tourism

Municipality is lucky to be located close to the UNESCO sights. The closest cave is far from municipality only 6 km. There are many other interesting places to know. For instance castle in Holštejn (6 km), well-preserved windmill in Ruprechtov (3 km), subsidence and windmill in Rudice (8 km), caves called Sloupsko-Šošůvské (8 km), Santini's church in Křtiny (10 km) and many others. When considering the location of Krásensko in view of these sightseeing, we can call Krásensko something as a heart of it. Its location is in the middle. Thanks to the altitude, which is almost 600 meters above sea level, the weather in summer is not that hot as in closed cities. Healthy air and favorable climate condition could be interesting rest from every day's life in cities.⁵²

⁵¹Report. *Krásensko* [online]. 2014 [cit. 2015-03-09]. Available: <http://www.krasensko.cz/soubory/zpravodaj/zpravodaj2014-01.pdf>

⁵² Trips. *Krásensko* [online]. 2015 [cit. 2015-03-09]. Available at: <http://www.krasensko.cz/tipy-na-vylet.php>

7. Conclusion

In the demographic structure of inhabitants of Krásensko I find movement of people due to victory of Village of the year of South-Moravian region in 2010. The impact of victory I personally see in long-term development of municipality and this could cause the biggest movement of immigrant in the year 2012. To say it simply, the municipality is slowly repairing almost every part of it (cemetery, fire-fighters arsenal etc.). The municipality has a picturesque image thanks to these reparations, which were made to win the competition in 2010. This attracts immigrants, who are looking for living in rural areas. If they see that Krásensko won the competition, it is a positive sign for them to live in Krásensko.

From financial analysis point of view there are some influences connected with the victory in competition in 2010. Mostly it is concerning complex reconstruction of municipality hinterland and further there was straight cooperation with Rural Renewal Program year before this competition, when Krásensko was asking state for grants to make “Krásensko nicer”. There is also connection with liabilities, specifically with the long-term loans plus in 2010 the long-term liabilities.

The victory in the year 2010 was crucial mainly for long-term economic development of municipality and as well it is indicator in demographic growth. The fact that Krásensko won this competition at regional level, contribute to flourishing quickly developing region. Gradually these renovations of Krásensko’s part in combination with grants from state budget motivate local people to value their homes and this is later seen in inhabitant’s activities and coherence among them. This attracts young families to settle down in Krásensko. Increasing number of inhabitants, which we can see mainly in 2012, is very positive for local development.

8. Summary

The bachelor thesis researches if the victory or participating in the competition Village of the year could serve as a facilitator of the region. My final thesis studies concrete municipality Krásensko, which in 2010 won this competition on regional level. Suddenly, from absolutely unknown municipality became something more than just a little village in South-Moravian region. Thanks to pre-competition grants and financial support of state, Krásensko has been developing not even municipality itself, but also the micro-region Drahaný Highlands. Krásensko won mainly because of special cohesion of local inhabitants, which is the most important criterion from the view of competition committee. On the basis of demographic evaluation and financial analysis, it is obvious that the victory in this competition is significant facilitator of development in the municipality in perspective of long-term. Results are seen in years after victory, when the number of inhabitants is increasing mainly because of immigrants. Thanks to the pre-competition financial support is the Krásensko developing more and more every day. There was also created cooperation among three municipalities within the build of new bicycle path, which is planned to be finished in the year 2015. This brings new tourists to the municipality, so that Krásensko becomes more known in conscious of people. This could bring future development caused by tourism.

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10. Annexes

Annex I – Building of municipality office in Krásensko



Source: Author's archive

Annex II – Building of Lipka organization named Rychta



Source: Author's archive

Annex III – Tree bark's pallet within the Lipka education behind Rychta



Source: Author's archive

Annex IV – View to the center of the municipality



Source: Author's archive

Annex V – Church of Saint Vavřinec



Annex VI – Public playground in the center of the municipality



Source: Author's archive

Annex VII – Informational table built within the state grant „Krásensko nicer“



Source: Author's archive

Annex VIII – Rest of traditional Krásensko's tradition Standing the maypole



Source: Author's archive