

Misuse of Budget Funds for the Maintenance of Field Roads

The news that, in early March, a group of people — members and activists of the Serbian Progressive Party (SNS) — were arrested in Leskovac as part of the "continuation of the fight against corruption," on suspicion of committing the criminal offenses of money laundering and abuse of official position, as announced by the Ministry of Internal Affairs of Serbia, did not come as a big surprise in that town. This group had already been arrested for misusing city budget funds intended for maintaining field roads around the town of Grdelica. Another reason for the lack of surprise was that these individuals had previously been publicly named in this context by representatives of the opposition citizens' group "Za Leskovac zajedno" ("Together for Leskovac") at a press conference held eight months earlier.

First Arrest

In April 2024, seven local community presidents and the owner of a private company — to which 7,470,300 dinars had been paid — were arrested on suspicion of *abuse of official position* and *incitement to abuse of official position*.

Behind this formal legal description lies the suspicion that these local leaders transferred funds from community accounts to a private company for the maintenance of local field roads — work that was never performed. In this scandal, Perica Gavrilović — former long-time driver and trusted aide of Leskovac mayor Goran Cvetanović — was later arrested as well. Gavrilović had since acquired a diploma from the Faculty of Economics and had been appointed assistant mayor for economic affairs. The mayor consistently rejected the opposition's accusations that his assistant was responsible for or had organized the scheme, publicly stating that he would "immediately resign if it is proven that Perica was involved."

The local community presidents confessed after the arrest and were released from custody. However, public suspicion remained — expressed in numerous comments on news articles and social media — regarding what happened to the money and whether the private company owner, who didn't perform the contracted work, had actually kept the funds. Opposition councilors further fueled suspicion, claiming that the actual misappropriated amount was 27 million dinars and that the mayor was aware of the entire scheme.

Same Actors, New Scandals

Almost all of the individuals involved have been named in at least two other budget misuse cases.

In one such case involving *suspected money laundering*, the former assistant mayor, local community presidents, and the de facto owner of the small business "Dosta Spasić" were arrested on March 3, 2025. They once again confessed and were released from custody.

Most of them are also mentioned in the case of the citizens' association "Grad Jelica," which had for years received municipal funding through a public competition to support social services — specifically a project for providing home care in Grdelica. Those involved, or their immediate family members, were hired for the project. The actual implementation of the project is questionable — particularly after it was discovered that one caregiver recorded in her report that she had visited two individuals who had died before she was even contracted.

Money to the Private Sector, Work Done by the Public Utility Company

The scandal over the misuse of budget funds for field road maintenance also revealed a broader issue regarding the use of taxpayer money in Leskovac.

According to the police and prosecutors, *"it is suspected that M.S., as the de facto owner of the business 'Dosta Spasić,' received payments from the accounts of local communities Dobročin, Mala Grabovnica, Zagužane, and Grdelica selo, based on fictitious contracts for work arranged by P.G. It is suspected that M.S. withdrew the money using fake invoices and then handed it in cash to P.G., thereby causing damage to the city budget."*

Nenad Zdravković, a councilor from the opposition group "Za Leskovac zajedno," claims that the work on the field roads was actually carried out by the public utility company JKP Grdelica, even though the job had officially been assigned to the private company "AMG."

"A certain quantity of gravel and sand was procured, but much larger quantities were reported. Most of the work was done by JKP Grdelica," Zdravković said.

Residents of the village confirmed that the work was carried out using a white truck with the license plate LE-068-SV — the same truck used to deliver firewood to voters (mostly welfare recipients) on the day before the last elections.



Two skip loaders (backhoe machines) were also used. Work orders for the days in question state that they were used to clean water channels alongside the road.

In short, a private company received public funds for work that was actually performed by JKP Grdelica. A skip loader was used — a vehicle owned by JKP Grdelica, not the private firm. The regional news agency JUGpress reported that about fifty such "projects" were paid for from local community accounts.

Resignation of the Assistant Mayor

After being released from custody following his first arrest, Perica Gavrilović resigned as assistant mayor under public pressure. He was then appointed head of the city vehicle fleet. However, as the opposition continued to accuse the mayor of protecting Gavrilović and demanded that he fulfill his promise to resign, Gavrilović ultimately resigned from all public duties. He had previously insisted that his 20-year-old son's company — which owns three trucks — had no involvement in the road maintenance schemes.

Following Gavrilović's resignation, Mayor Goran Cvetanović publicly called on the accused local community presidents — his party colleagues from the SNS — to resign as well. He made this call in July 2024, but by March of the following year, they had not done so.

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