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THE IMPACT OF BUDGET FINANCING ON THE MUNICIPAL-OWNED ENTERPRISES PERFORMANCE: CASE OF KYIV CITY

ABSTRACT

In recent years, many European studies have focused on municipal companies' problems, particularly their efficiency in terms of public importance and quality of services provided and return on capital. These issues are directly related to the current series of topical issues of the expediency of public property and issues of reasonable choice between public property and privatization. In our opinion, one of the criteria for the expediency of a business entity being in public ownership is the efficiency of its activities, in particular financial efficiency. This paper aims to clarify the local authority approach to determining the efficiency of municipal-owned enterprises in the capital of Ukraine.

In the research, the dynamic and distribution of budget funds between the municipal-owned enterprises of Kyiv were studied, and the dynamics of their return on assets were analyzed. In the course of the research financial statements data of the 128 municipal enterprises were collected and analyzed. It is established that the largest recipients of budget funds are municipal construction companies, while municipal public transport companies receive insufficient funding to cover their needs. The four-year distribution of return on assets was also studied, and its miserable level was stated. With the hypothesis testing regarding the impact of budget financing on the municipal-owned enterprises' efficiency, it is established that the availability and level of budget financing of investments and the presence of budget funds in the revenues of municipal-owned enterprises do not have a significant impact on their profitability.

Keywords: municipal-owned enterprise, public company, budgetary funding, return on assets, enterprise capital, business performance

JEL Classification: C12, L99, R51

INTRODUCTION

Budget decentralization reform in Ukraine launched in 2015, has significantly increased local governments' financial capacity and autonomy. After all, due to this reform, most of the taxes collected in a particular area (Amalgamed Territorial Community - ATC) began to remain in the local budget. In contrast, until 2015, most of the taxes and fees were collected in favour of the state. Thus, in the first two years of the reform, as noted by H. Harus and O. Niv'evskii [1], ATCs collected from 5% to 122% more local taxes than before the merger and began to spend more on local infrastructure development (from 46% to 569% more). An increase in community revenues was accompanied by a reduction in the share of the public sector in the economy, as notified by S. Rogozhny and others [2]. At the same time, Y. Samborska-Muzychko [3] emphasized that in some economic sectors, including utilities, the share of the public sector has increased by 1.6% over six years.

In addition to increasing budget revenues, this reform has resulted in a gradual improvement in the financial performance of municipal-owned enterprises (companies) – MOE(C)s in financially viable ATCs, as local budgets have got funds to cover the capital needs of these enterprises (Ukraine's municipal-owned status means that the community owns 100% of the enterprise's share capital). Thus, during 2016-2017, subsidies and current transfers to enterprises from the local budgets increased by + 200.7%, and

capital transfers to enterprises - by + 361.8% [4]. The growing trend continued during the following years: compared to 2014, the total revenues of local budgets in 2020 increased more than four times [5].

As noted by A. Białek-Jaworska [6]: "Local governments are a unique example of stakeholders playing a double role: principals (owners-shareholders of MOCs) and agents performing tasks imposed by the state related to the supply of utilities to inhabitants under the public finance discipline. In this three-member agency relation, MOEs act as the municipalities' agents, while the municipalities use MOCs to achieve their objectives: satisfying social needs. The execution of these tasks performed by the MOCs takes place in accordance with management contracts and in-house orders commissioned to MOCs whose sole owner (100%) is a municipality".

As in most EU countries, Ukrainian MOEs are defined in the Commercial Code as "business entities in the municipal sector of the economy" that act on the basis of municipal property. These include entities with over 50% of municipal ownership in the charter capital, providing municipalities with decisive influence over their activities. They are formed by local self-governing bodies under their sphere of management. Local bodies are responsible for forming their authorized capital, the size of which is determined by the local council and is paid before the end of the first year from the date of registration of such enterprise" [7].

Besides, changes in the tariffs setting policy for services provided by municipal utility enterprises to the community have also become a favourable factor in increasing the financial stability of these enterprises. Thus, from 2015 to 2021, tariffs for heating increased by 2.5 times, for water supply - by 3 times, for public transport - three times on average, and for the maintenance of houses – twice on average [8]. In 2021 alone, tariffs increased by an average of 35% [4].

At the same time, the community faced the problem of determining the efficiency of MOE because, on the one hand, they perform an important social function - community subsistence; on the other hand, they are registered in the form of commercial enterprises, so theoretically should be profitable and should increase their value.

The business performance of the municipal-owned companies in Ukraine directly correlates with their financial relationship with the local budget: high-efficiency MOEs do not need funding. They are donors to the ATC budget, low-efficiency MOEs, and unprofitable MOEs are usually co-financed by local authorities. On the other hand, the management of most MOEs tries to lobby for funding from ATC budgets regardless of their financial performance.

As MOEs are not joint-stock legal entities, the increase of their invested (authorized) capital is carried out directly by providing money or property to the company without the participation of financial intermediaries, except for banking institutions. Such direct financing of the MOE does not contribute to the development of the financial services market.

Although MOE in Ukraine is not a corporate form of management, the problem of capital formation is relevant for this form of management, as this problem is strongly connected to financial relations between MOE and local budgets and affects a wide range of stakeholders - taxpayers to the local budget in particular and the residents of the community as a whole.

Currently, there is no unified approach to the business performance evaluation of MOEs in Ukraine. Decision criteria on the MOE financing from the local budget are usually not based on scientifically sound economic indicators but depend on the interests of certain groups of influence in the local councils. The consequence is the inefficient redistribution of local budget funds to meet the needs of those MOEs that need support as noted in Prokhorov [9], OECD analytics [7] and numerous financial violations in the MOEs - recipients of budget funds.

LITERATURE REVIEW

As the municipal (communal) form of management is quite common in the EU and the world, the issues of municipal enterprises' financing and performance are also widely reflected in the works of scientists.

Note that a municipal-owned enterprise is not a typical form of public services provision in Anglo-Saxon countries. These countries mostly use private or mixed (partly privatized) companies and contractual forms of relations with local authorities, as noted by Box [10], and Peterson [11]. However, the Australian scientist R. Wettenhal [12] warned politicians against excessive enthusiasm for privatization processes and emphasizes the social significance of the public sector.

R. Hemming and A. Mansoor [13] raised problematic issues regarding the privatization of public property. They argued, in particular, that the economic efficiency of an enterprise may not be the primary goal of reforms of public (state and municipal) property, particularly privatization reform. The authors also emphasized that private companies' performance is higher than public ones.

The International Labour Office report "The Impact of Decentralization and Privatization on Municipal Services" [14] highlights the importance of choosing the practical form of financing for municipal services in the context of the strong urbanization trend. "In general, municipalities are given more responsibility to allocate resources and ensure social equity in the provision of local public services through partnerships with the private sector and civil society".

The study from Finland, "Ownership and governance of Finnish infrastructure networks" [15] focused on choosing the best forms of infrastructure project financing. It emphasized that Finland, like most European countries, has many state and municipal properties and does not consider their total privatization but focuses on improving the governance of these facilities. This study's results are noteworthy to say that "the ownership model in itself is not a guarantee for financial performance. One interesting finding is, however, that the MOEs seem to outperform MOC in almost all sectors and all measured performance indicators".

S. Saussier and M. Klien's study "Local public enterprises: taxonomy" [16] underlined the common issues governing such enterprises in OECD countries and highlighted the main trends among these enterprises. Such trends are related to efforts of public sector reform and the adoption of alternatives to direct provision — corporatization, private sector involvement, and cooperation among local government.

Albalade, Bel, and Calzada [5] on the example of governance reform in Barcelona's public transport service demonstrated how partial privatization and competitive pressure could be used to increase the efficiency and feasibility of transportation MOCs. Another Spanish case (Pérez-López, Prior, and Zafra-Gómez [17]) showed that MOC's efficiency depends on the kind of services: MOCs are more efficient in water and waste management and less efficient in public transport compared with traditional forms of public service provision.

Executive summary of the public audit report from Lithuania [18] showed the lower efficiency of MOEs compared with enterprises from the private sector and even compared with companies under state control. These numbers correlate with our data and the OECD review on Ukrainian state-owned enterprises [7], where MOEs also have been described. Another similar issue with the Ukrainian case is the violation of competition rules. The Competition Council has repeatedly acknowledged that the privileges provided by the CCM (the company, which is controlled by the municipality) do not ensure honest competition and adherence to the provisions of the Law on Competition.

The paper of researchers from Netherlands B. Voorn, van Genugten, and van Thiel [19] analyzed different approaches to the definition of MOE effectiveness and emphasized these companies' ability to realize significant efficiency gains, especially in the utility sector. Also, the authors showed that compared to local bureaucracies, MOEs work more efficiently in areas typical for utility services (transport, water supply, waste management). In a later paper by B. Voorn with coauthors [20], the authors investigated the concept of MOEs performance and found out determinants that have an impact on MOEs performance: organization size, access to resources and steering.

Swedish authors A. Bergh, G. Erlingsson, A. Gustafsson & E. Wittberg [21] noted that during the last 40 years, the number of Swedish MOEs increased dramatically and emphasized that this growth has impacted negatively on the conditions for accountability in Swedish local government, mainly through the mixing of the roles of agent and principal following the agency theory. The following paper of these authors [22] gives empirical evidence that local governments with MOCs prone to setting higher taxes are relatively more associated with corruption problems. It should be emphasized that the Swedish issue is also characteristic of Ukraine, where certain politicians have some agency interests in municipal enterprises, although following their legal positions, they must act as principals concerning these enterprises. Moreover, such politicians are lobbying for allocating funds from the municipal budget for MOEs controlled. However, unlike Swedish, Ukrainian MOEs usually do not compete with private firms in established markets; they primarily operate as monopolies or have competitive privileges.

The critical integrity risks of MOEs also emphasized in the paper [23] where the "intrinsic closeness," the complexity of the accountability chain, the poor quality of internal control, and inadequate auditing practice create this vulnerability to corruption.

A researcher from Turkey E. Eroglu [24], based on a 10-year data sample of MOEs public procurements in Metropolia Municipality, showed that regional municipal companies do not touch the competitive principles in public procurements.

A. Białek-Jaworska [6] identified the role of revenue diversification and the municipally-owned companies' financial flexibility in shaping the short-term and the long-term debt of municipalities in Poland and this debt's repayments under the condition of limited fiscal autonomy and the restrictive fiscal debt constraints of its municipalities. The author highlighted the significance of MOEs and focused on the MOEs capital structure and agency costs. The author showed that municipalities use MOCs to increase revenue diversification through fees paid to MOCs by inhabitants for provided public utilities.

Besides, A. Białek-Jaworska and W. Stobieniecka [25] investigated the MOCs' capital structure and provided evidence of local governments benefiting from off-balance-sheet financing by a MOC's debt capacity, allowing them to avoid financial debt constraints tightened by fiscal rules.

T. Jedynek and K. Wasowicz [26] investigated the efficiency concept of MOEs and found that the financial and operational efficiency of municipal enterprises which operates in the public transport and waste management services is not associated with the quality of the services they provide.

The Polish case is of interest to Ukraine because MOCs are not subject to consolidation under public finance law in Poland. Their debt is neither included in the local public debt nor limited by fiscal debt constraints. This fact makes MOCs unique in terms of debt issuance, contrary to their owners—local public governments [6].

The paper from German authors P. Daizer and B.W. Wirtz [27] was devoted to the strategic success factors examinations that impact the perceived success of municipally owned companies. The authors identified the most valuable three factors (shared vision, strategic coordination, and goal clarity) that positively impact perceived MOC success.

Plenty of commercial state- or municipal-owned enterprises are a negative feature of the Ukrainian economy, as many studies have shown that the state is inefficient as a business owner [28; 29]. The study of the practice of MOEs management, provided by Prokhorov and coauthors [9; 29; 30], Bagatska [28] Nikolaev with coauthors [31] also shows mainly the inefficiency of this form of ownership. However, during the decentralization reform, the MOEs efficiency is partially improved. Over the years, the number of MOEs has continued to increase. They remain vital recipients of state aid, though they continue to underperform financially. Compared to centrally-owned SOEs, corporate governance practices in MOEs remain informal and less transparent [7].

The unresolved aspect of the problem consists in studying the level of influence of various types of financial support on municipal-owned enterprises' performance, namely on financial performance indicators.

AIMS AND OBJECTIVES

The paper aims to establish how the type of financing affects the change in the financial result (profitability) on the sample of Kyiv's municipal-owned enterprises. The tasks of the article are analysis of the capital investments level dynamics provided by the city budget to municipal-owned enterprises in time and in sectoral terms; analysis of the MOEs' balance capitalization level and the net income participation in this process; analysis of the ROA as a key performance indicator distribution; formulation and testing of the hypothesis regarding the relationship between MOEs' ROA and budget financing; development of recommendations for improving the MOEs' performance.

METHODS

The methodological basis for our research is theoretical studies, financial statement analysis, comparative analysis. We took statistical data from the State Statistic Service of Ukraine [8], and financial statements of Kyiv's MOE, which were taken from the official site of the Kyiv City Council Audit Department [32]. We took financial statements of 128 MOEs for 2017-2020 years. Pearson Chi-squared test with Yates' continuity correction were applied for testing Hypothesis: budget financing and/or revenue from budget have an impact on MOEs' ROA. R script has been used for testing the Hypothesis.

RESULTS

A study of the MOEs management practice by local authorities suggests that the efficiency of Ukrainian MOEs is determined not so much by general economic conditions and the presence of budget funding in MOEs capital as by the type of utility management policy defined by the city government as the primary stakeholder. This hypothesis can be proved by the example of the capital of Ukraine, which owns the most significant number of MOEs compared with other ATC.

Kyiv is the largest and most prosperous city in Ukraine with a surplus budget for the last six years: the city's budget revenues in 2015 amounted to about USD 1.16 billion (from now on, data in the Ukrainian national currency is converted into US dollars at the official exchange rate retrieved from: https://bank.gov.ua/files/Exchange_r.xls), by 2020, they almost doubled to 2.136 billion US dollars [33]. Rapid revenue growth in 2020 has slowed due to the Covid-19 pandemic. During 2015-2020, about 1900 enterprises, institutions, and organizations were on the city's balance, including 128 municipal-

owned enterprises with commercial status [35-40]. Besides, Kyiv city has corporate rights in 22 active companies, which are not included in our research except for profitability comparison. In 9 of them, Kyiv owns a majority stake.

Among these 128 enterprises, half of them regularly receive replenishment of equity from the city budget. Thus, USD 394 million was spent on financing utility companies' capital investments from the Kyiv budget in 2020, consisting of 18,3% of the total budget expenditures. For comparison, Ukraine's regional centres spent from 3% to 13% of cities' budgets for MOEs capital financing [28; 41; 42]. The amount of USD 204 million was spent by the budget as payment for services provided by 78 MOEs, and USD 137,2 million was spent from the budget indirectly on the execution of orders from budgetary institutions. In general, in 2020, 32% of expenditures were allocated directly or indirectly only to municipal-owned enterprises from the city budget. In previous years, the proportions of funding were stable (Figure 1). Thus, the regular recipients of budget investments are 60-65 MOEs annually; 65-78 MOEs generate revenues from the budget annually. On average, about 35% of the operating revenues of Kyiv MOEs were formed from budget funds. Only 40-44 MOEs did not receive orders for services (works) or funding from the city budget at all. Interestingly, the city administration does not publish summaries on the MOEs financing, and to obtain them, the authors had to process the financial statements and plans of each enterprise manually.

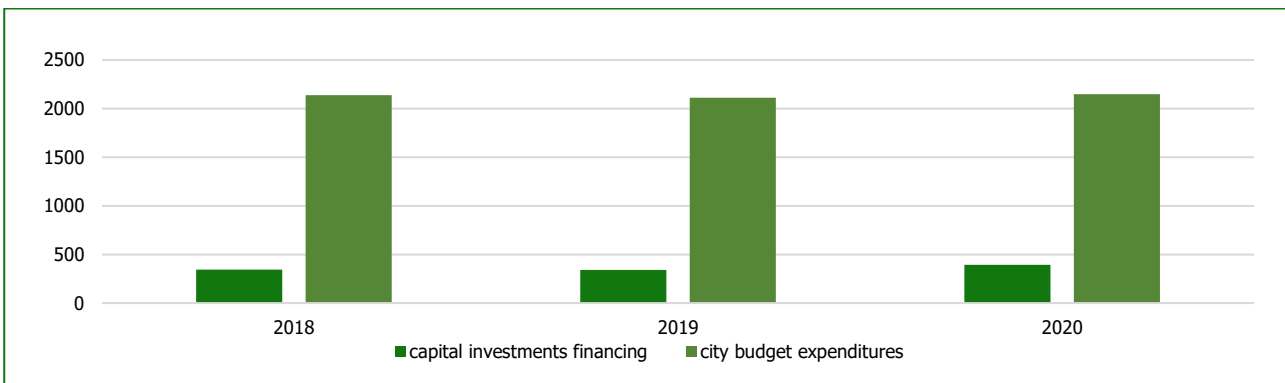


Figure 1. The share of MOEs capital investment financing in the city budget expenditures. (Source: calculated by the authors based on [32, 33])

Financing of MOEs capital investments from the city budget was not distributed proportionally. More than 90% of this funding was directed to only 15 MOEs, including socially essential enterprises and those that perform the function of the customer for construction and other works (Figure 2). It is noteworthy that these 15 enterprises had the highest level of average wages compared to other MOEs, while in general, the average salary of MOE employees was about 90-95% of the average salary in the city. It should be noted that 11 MOEs out of the top 15 also received more than 50% of revenues from budget funds, i.e., they were fully kept from the city budget.

Another feature of Kyiv's MOE financing policy is that their level of self-financing was deficient compared to other cities and, on average less than 1% in the structure of available funding sources. Most of the MOEs did not disclose a separate line of the total share of capitalized net income in their balance sheets, so it was challenging to make an accurate conclusion about the level of their self-financing.

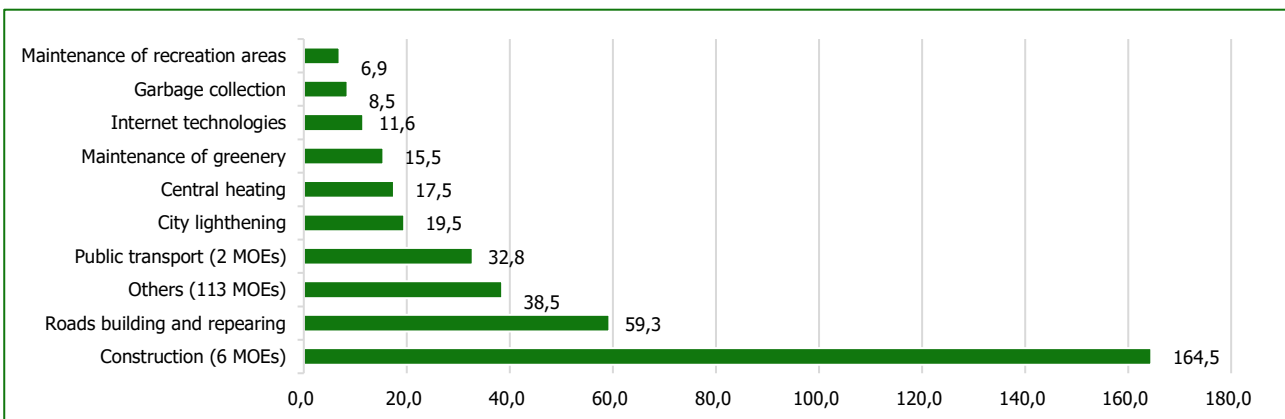


Figure 2. Industry distribution of the 2020 budget funding among the TOP-15 and other MOEs, mln USD. (Source: calculated by the authors based on [32])

During 2017-2020, only 9 MOEs were replenished with authorized capital. More than 90% of financing for capital needs was in the form of additional capital, which in some way narrowed the responsibility of MOE owners - the residents of the community. Thus, the total increase in invested capital (registered and additional) in 2020 amounted to USD 66.78 million for all MOEs, while in 2020, MOEs received from the budget USD 394 million for capital investment financing. So, only 17% of the received funding was capitalized in the balance sheets of the MOEs. In construction companies, budget funding is invested in construction projects, and upon completion of construction, the facilities are transferred to the operation of the city and written off the MOE's balances. However, not only construction MOEs were budget funding recipients for capital replenishments. At the end of the last year of the analysis (2020), 7% of enterprises had a negative value of equity, which indicated a high probability of bankruptcy. Among them, one construction MOE belonged to the TOP 15 recipients of budget funding (see Figure 1). More than 200 Kyiv MOEs were in the process of ceasing to operate.

Given the relatively high budget funding level, it could be assumed that Kyiv's MOEs were a powerful source of revenue for the city budget, and they transferred both income tax and part of the net profit to the budget. However, according to the order of the Kyiv City Council, during 2017-2020, no MOE transferred net profit to the Kyiv budget.

Profit formation analysis for 2017-2020 showed the following general patterns: on average, 70-75% of MOEs were profitable over the past four years; however, compared to the resources involved, the size of this profit was meagre. The overall dynamics of profitability deteriorated significantly in 2020 due to the pandemic. The enterprises with the highest absolute values of profit were MOE in the field of housing services, but this profit formed due to the non-provision or partial provision of utilities, for which the payment was received.

For efficiency analysis, we took the return of assets (ROA) as the indicator of total resource efficiency. Systemically low profitability of MOE indicates a violation or even lack of the basic principle of the enterprise in a market economy - profit maximization and makes MOE similar to a non-profit organization. On the other hand, this may indicate a deliberate overstatement of costs to minimize tax payments and payments to the founder (city). The key indicator of successful investment in the company is profitability growth. If this growth does not happen, the invested funds are actually "eaten up," which will lead to even greater investment needs in the future. Thus, only 9% of the 128 MOE analyzed had a relatively high level of return on assets - above 3% (Figure 3).

Thus, the ROA distribution shows that half of the enterprises have been operating at the break-even point for 4 years and have almost zero profitability, which did not change over the years. That is, they actually work as non-profit budget organizations.

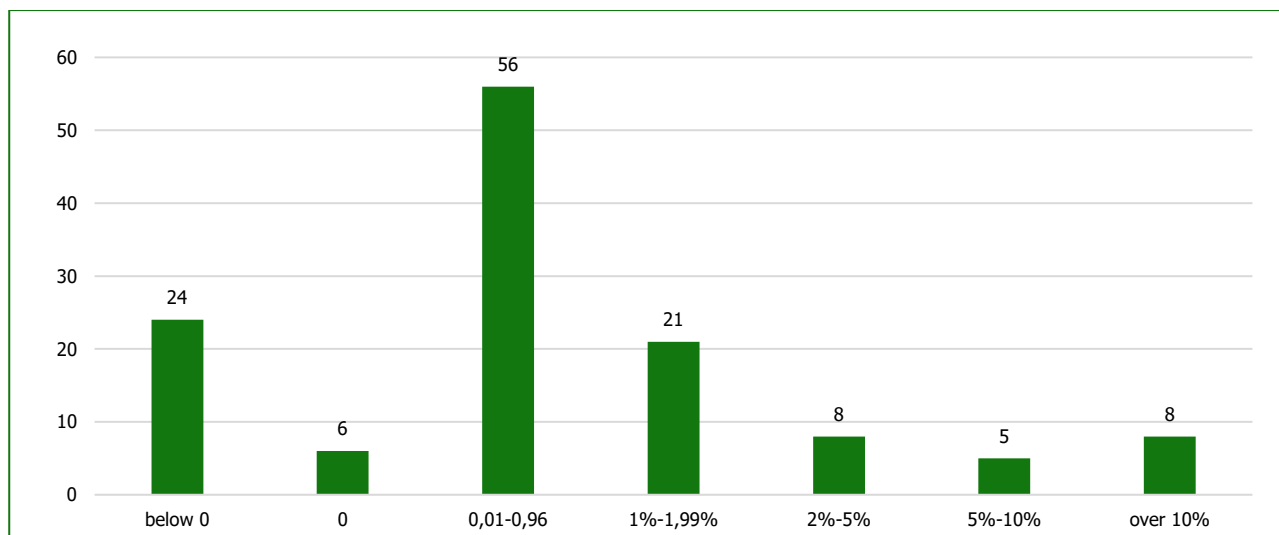


Figure 3. Distribution of average ROA for 2017-2020. (Source: calculated by the authors based on [32])

And this profitability does not show growth in any MOE, despite the presence/absence of budget funding and its increase. For approving or rejecting the last statement we provided some Hypothesis tests: transformed our data into categorical variables. (Figure 4) as the relationships between numerical variables were not linear.

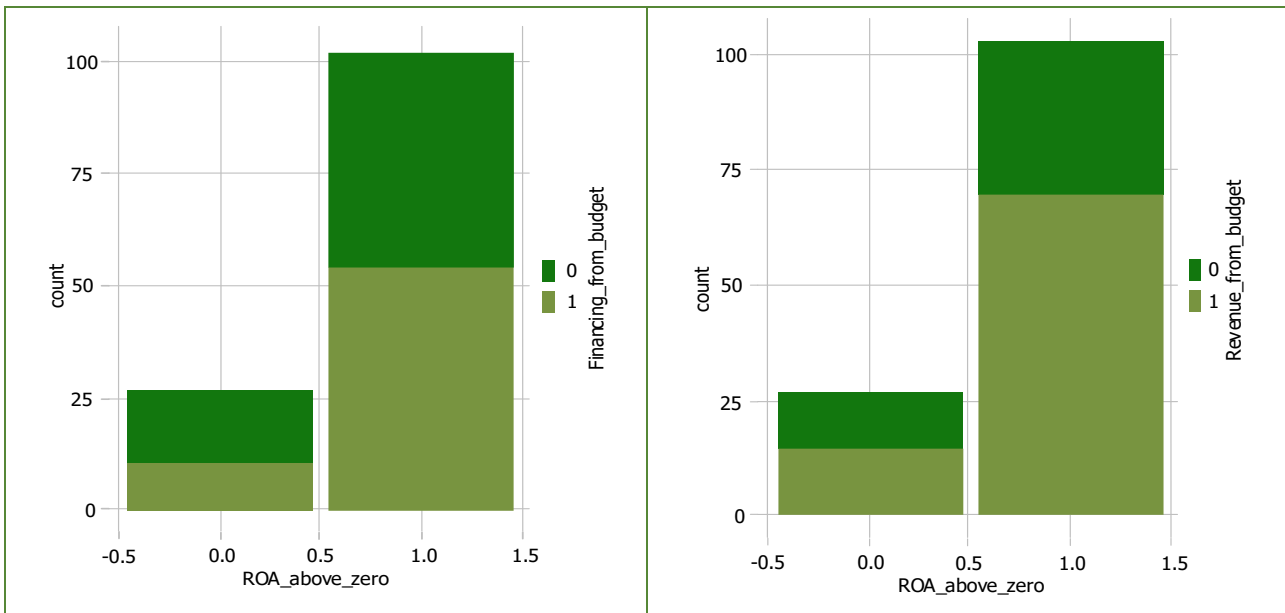


Figure 4. Bar charts for categorical variables: ROA above zero, Financing from the budget, Revenue from the budget.

Budget financing impact on ROA and budget revenue impact on ROA were tested by Pearson's Chi-Square test with Yates' continuity correction. The null Hypothesis: Budget financing (budget revenue) doesn't have an impact on MOEs' ROA. For the budget financing impact on ROA the results of the testing: X-squared = 1.2066, df = 1, p-value = 0.272. For the budget revenue impact on ROA the results of the testing: X-squared = 1.1786, df = 1, p-value = 0.2776. So, in both cases, we cannot reject the H0 which means that 2 variables don't have a significant relationship. The results corresponded with our description financial statements analysis.

Only one MOE among the TOP 15 budget funding recipients had a high level of profitability during the 2017-2020 – garbage collection enterprise. The rest of the recipients were either unprofitable (the two largest public transport companies) or had almost zero profitability. The six MOEs with the highest level of profitability were not recipients of budget funding at all and did not earn their revenue from the execution of municipal budgetary orders. Note that all these MOEs operate in a competitive market.

The Kyiv metro had the highest absolute net loss in 2020 (17% of the city budget revenues), However, its relative level of losses (-2.3% ROA) was low. The assets of small enterprises were much more unprofitable. In addition to low profitability, Kyiv's MOEs are characterized by low business activity, reflected in the low asset turnover. Thus, 48 enterprises, or 36% of the analyzed, had an assets turnover of less than 0.5. During the period 2017-2020, there was a significant increase in turnover of householding companies due to the withdrawal of assets from the balance sheet and of the small MOE. The average level of non-current assets depreciation was 61%, which corresponds to the national average.

Formation and replenishment of MOEs capital are inefficient and violate one of the principles of building the budget system of Ukraine, enshrined in the Budget Code: the principle of efficiency and effectiveness, namely - ensuring quality public services while attracting the minimum amount of budget funds and achieving maximum results when using the budget. What is the violation of the principle of efficiency? The source of replenishment of equity MOEs is mainly budget allocations, rather than net profit, as it should be in an enterprise operating in a competitive market. MOEs do not provide for themselves but are co-financed from local budgets. Moreover, this is typical not only for companies that are unable to self-financing due to the tariff restrictions but also for public pharmacies, markets, construction companies, parking lots, television companies, consumer services.

DISCUSSION

Having analyzed the business performance of Kyiv's municipal-owned enterprises and comparing results with the performance of Ukrainian MOEs from other cities, described in [28; 30; 31; 34] the authors concluded that the City Council policy had a great impact not only on the MOEs funding but on the MOEs performance as well. The significance of Kyiv's case is that the city controls a large number of municipal enterprises, and each group of them are under the responsibility of a separate department in the City administration. However, there were no specific sectoral trends in the financial condition

of the group of enterprises during the analyzed period. The presence of a large number of MOEs made it possible to check the dependence between budget financing and MOEs performance with the help of statistical methods. Note that previous studies of other Ukrainian cities led to similar conclusions, which were obtained using descriptive methods. The question of the expediency of assessing MOE's performance by profitability indicators remains debatable, however, as the literature review shows, European scientists also pay attention to the profitability indicators of state-owned and municipal-owned companies. However, taking into account the social importance of such enterprises for the quality of life in the community, we believe that the discussion around improved criteria for evaluating the efficiency of such enterprises should be continued.

CONCLUSIONS

In general, during the analyzed period, the overall level of business performance of Kyiv's MOEs was primarily low. In addition to unsatisfactory profitability and capital turnover, almost half of the companies had a risky capital structure and low liquidity. Alternative sources of funding were scarce. Such a situation is unacceptable for private or corporate business owners. So, they would resort to radical crisis management measures.

The city government's management policy in Kyiv pays little attention to MOEs business performance but mainly focuses on controlling the quality of their services to the community. The Kyiv City Council also has a particular body for internal financial control (audit), but its functional capacity is insufficient for periodic inspections of all the 1,900 budget institutions. Directors of Kyiv's MOEs do not have KPI in their contracts, and they do not belong to the category of civil servants, so they have minimal responsibility for inefficient or inappropriate use of budget funds. This policy results in significant overspending of budget funds allocated to the MOEs (as evidenced by the analytical data of the public procurement system and data from inspections of "Kyivaudit"). The low interest of the city residents in the MOEs financial problems contributes to the preservation of these issues and the lack of incentives for local deputies to solve them.

The solution to the problem of inefficient financing of the MOEs' capital should be a change in the management and control policy by the city authorities. Namely: classifying MOEs into potentially profitable and non-profitable (those that have a social function and/or are limited by a restraining tariff policy) and introducing a transparent financial and non-financial KPIs system for managers. Moreover, for non-profitable MOEs, effective procurements should be established as KPI for profitable - financial ratios (ROE, ROA, ROS, etc.). The result of MOEs capital investment financing should increase their business performance. It is expedient to continue optimizing the number of MOEs in the direction of its reduction and to transfer to privatization those that do not have a social function or social significance (according to our evaluation, there are at least 20 such MOEs in Kyiv). It is also necessary to consolidate small MOEs with the same functions and transfer specific categories of MOEs to the status of non-profit budget organizations (which will increase their managers' responsibility for the budget funds usage). In general, unlike some researchers on MOEs, we do not propose to abandon such an organizational and legal form. However, we note that effective management of such enterprises in Ukraine is impossible without the community's active interest in the MOE's policy management.

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ВПЛИВ БЮДЖЕТНОГО ФІНАНСУВАННЯ НА ЕФЕКТИВНІСТЬ ДІЯЛЬНОСТІ КОМУНАЛЬНИХ ПІДПРИЄМСТВ: ДОСВІД КИЄВА

В останні роки багато європейських досліджень зосереджено на проблемах комунальних підприємств, зокрема на їхній ефективності з точки зору суспільної значимості та якості послуг, що надаються, а також на ступені віддачі їхнього капіталу. Ці питання безпосередньо пов'язані із серією актуальних нині досліджень щодо доцільності державної власності на об'єкти бізнесу взагалі та з проблематикою раціонального вибору між державною (комунальною) власністю та приватизацією. Одним із критеріїв доцільності перебування суб'єкта бізнесу в публічній власності, на нашу думку, є ефективність його діяльності, зокрема фінансова ефективність. Ця стаття має на меті з'ясувати підхід місцевої влади до визначення ефективності комунальних підприємств у столиці України.

У цьому дослідженні проаналізовано динаміку та розподіл бюджетних коштів між підприємствами комунальної власності м. Києва, оцінено динаміку їх капіталовіддачі. У ході дослідження було зібрано та проаналізовано дані фінансової звітності 128 комунальних підприємств. Установлено, що найбільшими одержувачами бюджетних коштів є комунальні будівельні підприємства, у той час як комунальні транспортні підприємства отримують недостатнє фінансування для забезпечення своїх потреб. Також було проаналізовано розподіл середньої рентабельності активів за чотири роки й констатовано його наднизький рівень. При перевірці гіпотези стосовно впливу бюджетного фінансування на ефективність діяльності комунальних підприємств установлено, що наявність і рівень бюджетного фінансування інвестицій та бюджетних коштів у доходах підприємств не мають істотного впливу на їхню прибутковість.

Ключові слова: комунальне підприємство, публічна компанія, бюджетне фінансування, рентабельність активів, капітал підприємства, результативність діяльності

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