

EXECUTION AND FINANCING OF LOCAL BUDGETS IN UKRAINE: FEATURES AND RESULTS

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The article examines the absolute and relative indicators of local budget execution for the period 2013-2022. It emphasizes the importance of analyzing the results of local budget implementation at the level of individual local estimates within their respective groups according to the structure of the budget system. It was demonstrated that the overall results of local budget execution, when viewed as a whole system, conceal significant differentiation among the indicators of individual budgets.

It was found that the deficit of the vast majority of local budgets in Ukraine is allowed to be covered exclusively by using internal sources of funds. Under these circumstances, a situation of forced balancing of budgets in the presence of a number of unresolved issues in the relevant council is likely, which, of course, distorts the perception of the real state of local budgets. It was also found that the most common way of financing local budgets in Ukraine is through changes in budget balances. Placement of funds on deposits is also popular, which, among other things, provides local budgets with additional income. Financing through transactions with securities has not become widespread.

According to the results of the analysis of the features of financing local budgets through debt operations, options for balancing deficit budgets, applied by the relevant councils in practice, were identified and named. The need to improve the efficiency of management of the resources borrowed by the councils, as well as the available balances of budget funds, was emphasized. Recommendations were given for evaluating the results of the implementation of local budgets, based not only on the absolute values of the budget deficit (surplus), but also taking into account the components and financing structure of the relevant estimates. The expediency of paying closer attention to indicators of the deficit of budgets financed by debt operations, in particular in the part of substantiating the borrowings and their results, as well as the borrower's compliance with the limits of borrowings and costs for their servicing established by the budget legislation, is emphasized.

It was stressed that a qualitative assessment of the results of budget execution is impossible without involving in the analysis of other indicators, including, in particular, the amount of overpaid taxes and fees to the budget, the payables of budget institutions, the amounts of taxes accrued by their payers, but not paid to the budget. Equally important are the clarification of the dynamics of socio-economic development indicators of the relevant community (territory), the state of the budget sphere: in the presence of unresolved issues, the balanced budget that is adopted cannot be considered as reflecting the real state of local finances.

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