ANALYZING OF THE FINANCIAL POTENTIAL OF TERRITORIAL COMMUNITIES IN UKRAINE

The processes of budget decentralization determine the need to find sources for the formation of the financial base of local budgets. The development of territorial communities in Ukraine is taking place in new conditions and is characterized by dynamism, which is primarily due to the decentralization reform. An important factor contributing to qualitative change at the local level is the financial support for the development of local communities, which is one of the priorities of the reform and should be sufficient to ensure effective development.

The purpose of the article is to find out the essence of the financial potential of territorial communities and to analyze its current state in Ukraine.

The development of Ukraine at the present stage is characterized by a shift of emphasis in the field of state regulation of territorial development in the direction of administrative and financial decentralization and is accompanied by the transfer of powers and resources to the local level. The main purpose of such reforms is the formation of organizational and economic foundations for the development of territorial communities in Ukraine on the basis of effective use of their financial potential.

OTG's financial capacity is a complex concept that encompasses the totality of available and potential resources and the ability of local governments to accumulate sufficient financial resources and use them effectively to ensure the sustainable development of the local community.

The mechanism of management of financial potential of territorial communities is based on the purpose, principles, targets, includes directions, stages, functions, tools of realization, sources of financing, methods of management.

It is necessary in modern realities to create capable territorial communities that can be responsible for the economic development of territories and the formation of a favorable environment for the population. First of all, it means a change in the mental model of both the representatives of local self-government bodies of the basic level and each inhabitant of the community.

After analyzing the financial potential of territorial communities, we can conclude that such a phenomenon as the unification of territorial communities in Ukraine is only gaining momentum. This is a rather complex process that requires a lot of time and decisive action from citizens. The imperfection of the financial management system and the lack of a strategic vision of community development leads to inefficient management of available financial resources. Each OTG has its own financial potential and has the opportunity to attract additional financial resources for its further development. It is the financial potential that allows you to assess the financial opportunities, available and potential financial resources that can be used for socio-economic growth of a particular territorial community, administrative unit and the country as a whole. Despite the fact that the number of OTG is growing every year in Ukraine, there are a number of problems that need to be addressed immediately, which determines the further relevance of the study on this topic.