



Chosen sources of financing and revenues from transportational activity of an urban transport company of Częstochowa

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ABSTRACT

This description begins with an explanation of the essence of urban transport in the functioning of the city. Highlighted the link between functional elements of the city with the public transport system. Later in the article states the source of financing urban transport and the revenue from transport activities in Częstochowa.

Keywords: public transport, compensation, refund, financing sources

1. INTRODUCTION

The process of city deveopement created a phenomenon called public transport. This term was first used to describe group transport, under the control of local, low rank authorities, operated with buses, trams, subways and trolleybuses. In the transportation law the idea of city communication is specified inaccurately and untruthfully to how it really looks in cities. [1]

In the majority of the country public transport refers to the city itself and it's vicinity. Communication network set up in that manner is an effect of a specific relationship between the city and areas around it. Each city functions in its own region and within differently

designed city grounds and its peripheries certain reactions are happening. The arrangement of schools, preschools, and even workplaces contributes, amongst other things, to the creation of transportational needs. [2]

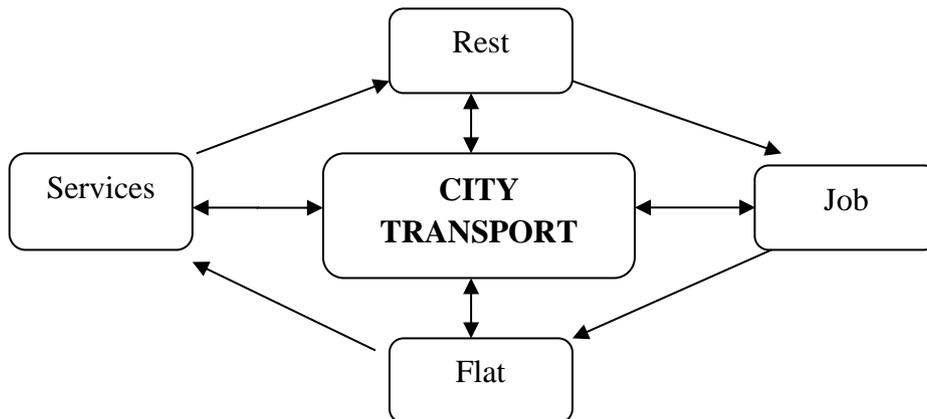
2. THE ESSENCE OF PUBLIC TRANSPORT IN THE FUNCTIONING OF THE CITY

The key element of an innovative city is the city transport. Its main role is operating within the city. [3] In the past the intensification of the city transport contributed to how it was laid out and allowed its future growth. [4]

According to B. Malisz the influential range of an internal hub in an agglomeration is proportional to the ability of transportational means in use and also attractiveness of said hub. [5] Whereas the city's spatial area depends greatly on potentials, that a certain type of transportation causes while forming the transportational reachability. [6] City's spatial development occurs up to the point where certain transportational means handling the transportational needs reach the extent of their range. Prospects of transport, which are seen through the prism of time that is lost on the journey greatly reduce the urban space. [7]

Public communication holds the city together in its functional structure. Presents it as a scheme of relations happening between its individual components. Thanks to the unity and connection of each function realised by the city it leads not only to changes within the system, but also to relative changes in the city functions. It is worth mentioning that functions performed by the city transportation are a result of combination and cooperation with other means favoring the development of city agglomeration. [8]

Picture 1. Connections between the city's functional elements and systems of city transport



Source: Own elaboration

In creating social-economic affinities in a certain region the effectiveness of public transport plays a considerable role. Transportational needs, localization of academic buildings, workplaces, space utilization, arrangement of citizens in the city, and distribution

function of production and freight have a big influence over the quantity of communicational links. [9]

City transport is a fundamental mean of operating passenger, group transportation needs. Usually it is perceived not as a sector of entrepreneurship but a sector of public service. [10] Taking the notorious overflow of street network into account, one can tell that it fulfills a very important role.

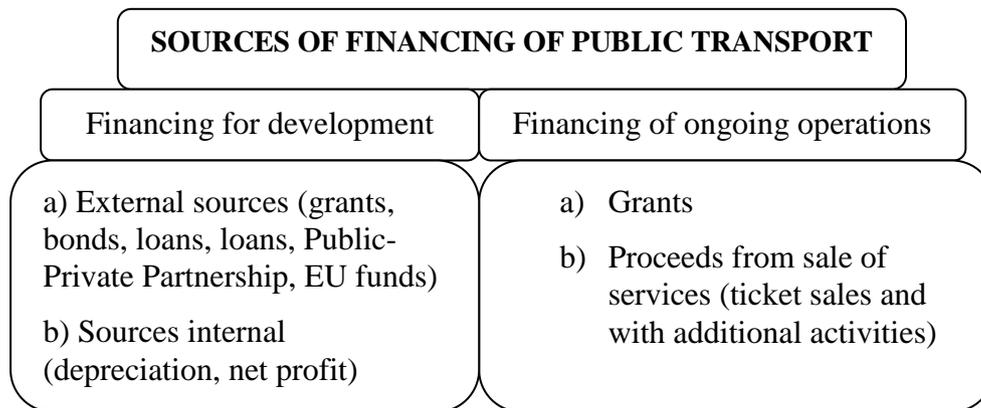
In terms of the amount of transported passengers, public transport in Poland is the most common mean of passenger transport, since it operates in over 260 communes and cities, in its range it includes 17 million inhabitants. [11] Each year it transports almost 4 billion people which accounts for nearly 80% of total passenger transport in the country. [12]

Research shows the energetic, cost and natural values of public transport over personal transport. [13] Public transport in comparison to personal transport with the same amount of passengers requires far less space on the road. [14] Currently buses have a lower accident rate than personal transport and contribute less towards the air pollution. [15]

3. SOURCES OF FINANCING OF POLISH PUBLIC TRANSPORT

In Poland the burden of supervising the public transport is placed entirely on the shoulders of municipal governments, which have not received proper financing. [16] Because of this there are not enough funds to maintain the infrastructure, get newer means of transport and the price of tickets went up. [17] All this led to public transport being considered social assistance for people who due to various reasons do not have the possibility of using their own car. [18]

Picture 2. Sources of financing of public transport.



Source: Own elaboration

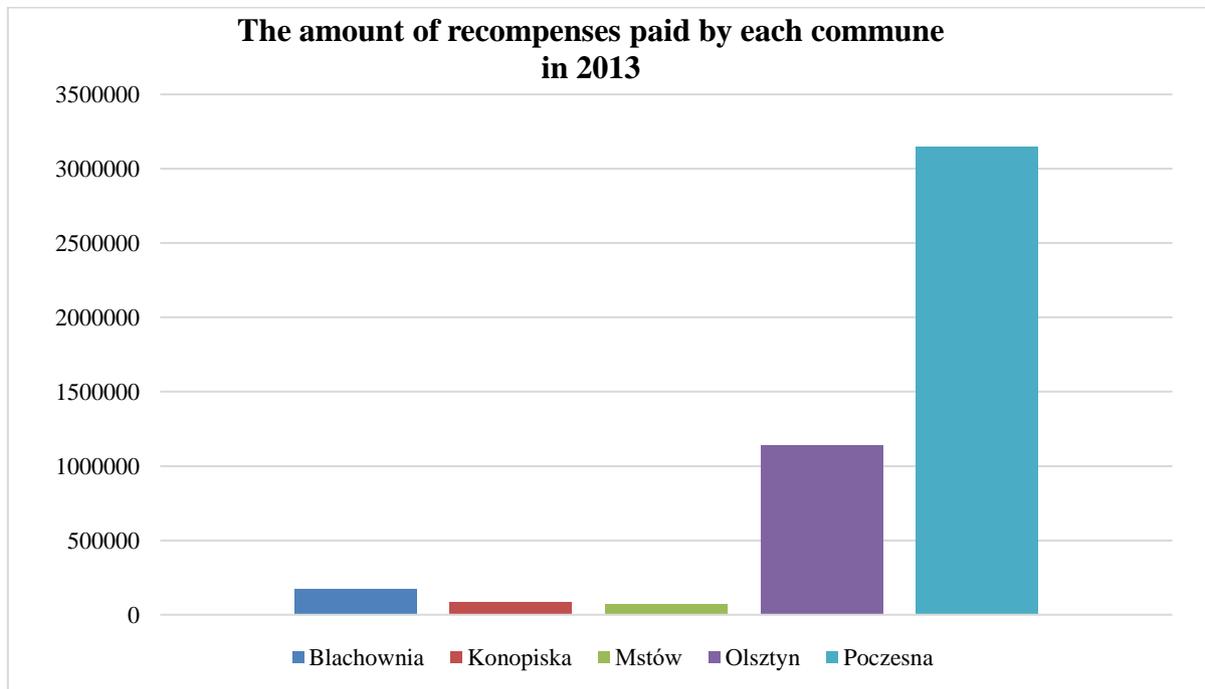
Right now the European Union subsidizes majority of development programs concerning public transport in cities. (To be exact the Union funds supported other means with which public transport is sponsored, whether it be state or voivodeship funds. [19] In subsequent years, among other things, the reasons for increasing the wealth of Polish regions planned prize money will be much smaller. [20]

4. SOURCES OF FUNDING MUNICIPAL ENTERPRISES IN CZESTOCHOWA AND REVENUES FROM TRANSPORT ACTIVITIES OF THE MUNICIPAL ENTERPRISES IN CZESTOCHOWA

Functioning of public transport in the city of Częstochowa and communes of Blachownia, Poczesna, Mstów, Olsztyn, Konopiska is supported through recompenses, refunds and through selling tickets. Recompenses meaning funds or other material profits, that had been allotted to the operator of public transport for providing services regarding public transport [21].

Refund on the other hand refers to the returned difference in the costs of full and half-priced tickets. Total amount of recompenses paid by communes to Częstochowa in 2013 equals to 4 614 187 zł. Chart below shows the exact amounts paid by each commune.

Chart 1. The amount of recompenses paid by each commune in 2013.



Source. Data from MPK Częstochowa Sp. z o. o. Compiled personally.

With constant intensivity of transportational work yearly recompense paid by the city of Częstochowa for daily communication within four years 2010 – 2013 increased from 33, 4 million zloty to planned for year 2013 44, 7 million zloty.

Transportational work in yearly communication planned for 2013 equals to only 0,6% of overall transportational work being provided by MPK Częstochowa. Price for 1 vehicle-kilometer was valued 8,02 zloty for busses and 8,60 zloty for trams 1x105Na which provided a 16,1% coverage for tickets.

In 2013 profits for 1 vkm that respectively equaled 12,95 129Nb, 7,66 1x105Na, 7,66 night tram had been evaluated according to planned yearly revenues from transportational

services. Anticipated level of recompense for costs with revenues from ticket sales was set at 45,6% and does not diverge far from the one from 2012 which was 45,9%. In the table 1 amounts of recompenses paid by each commune in years 2010 – 2013 is presented.

Table 1. The amounts of recompenses paid by each commune in years 2010 – 2013.

| Year | Yearly commune recompense | Number of vkm in a commune | Rate for 1vkm | Coverage from tickets in zlotys | Commune recompense for 1 vkm | Increase |
|----------------------------------|---------------------------|----------------------------|---------------|---------------------------------|------------------------------|----------|
| THE COMMUNE OF BLACHOWNIA | | | | | | |
| 2010 | 116 310,07 | 30 620,00 | 5,16 | - | 3,80 | - |
| 2011 | 130 823,00 | 29 916,80 | 5,63 | 47 300,00 | 4,37 | 15% |
| 2012 | 163 500,00 | 30 567,10 | 6,35 | 46 462,96 | 5,35 | 22% |
| 2013 | 172 438,00 | 31 505,40 | 6,57 | 47 326,00 | 5,47 | 2% |
| THE COMMUNE OF KONOPISKA | | | | | | |
| 2010 | - | - | - | - | - | - |
| 2011 | - | - | - | - | - | - |
| 2012 | - | - | - | - | - | - |
| 2013 | 83 691,00 | 16 264,20 | 6,57 | 34 572,00 | 5,15 | - |
| THE COMMUNE OF MSTÓW | | | | | | |
| 2010 | - | - | - | - | - | - |
| 2011 | - | - | - | - | - | - |
| 2012 | 70 208,00 | 14 317,50 | 6,35 | 25 976,80 | 4,90 | - |
| 2013 | 72 816,00 | 14 289,00 | 6,57 | 26 457,00 | 5,10 | 4% |
| THE COMMUNE OF OLSZTYN | | | | | | |
| 2010 | 742 563,85 | 217 851,90 | 5,16 | - | 3,41 | - |
| 2011 | 903 960,00 | 221 510,10 | 5,63 | 410 100,00 | 4,08 | 20% |
| 2012 | 1 110 630,00 | 220 733,80 | 6,35 | 385 231,60 | 5,03 | 23% |
| 2013 | 1 139 888,00 | 220 212,70 | 6,57 | 391 346,00 | 5,18 | 3% |

| THE COMMUNE OF POCZESNA | | | | | | |
|-------------------------|--------------|------------|------|--------------|------|-----|
| 2010 | 1 888 197,63 | 539 663,80 | 5,16 | - | 3,50 | - |
| 2011 | 2 224 321,00 | 539 743,60 | 5,63 | 979 200,00 | 4,12 | 18% |
| 2012 | 2 887 608,00 | 556 981,80 | 6,35 | 920 136,00 | 5,18 | 26% |
| 2013 | 3 145 354,00 | 603 381,40 | 6,57 | 1 088 197,00 | 5,21 | 1% |

Source. Data from MPK Częstochowa Sp. z. o. o. Compiled personally.

Revenues from selling tickets are a main source of income for MPK Częstochowa. In 2012 they amounted to 46.5% of the share resulting from the sale of tickets. In comparison to 2011 occurred a degression of 3,84%. On the other hand in 2012 recompenses gotten from the funds of commune of Częstochowa and neighbouring communes increased from 47, 6% in 2011 up to 52% in 2012. Also noticeable is the increase of recompenses of over 21% up to the amount of 43,5 million zloty.

5. CONCLUSIONS

Successful subsidizing the public transport has no other way but to fulfil rigorous sequence of social and economic – financial criteria. However many cities due to the lack of necessary means spent on complex programs regarding the development of public transport and the significant lack of the public finance sector cannot cope with that. In regards to realistic needs, public funds that are available in almost every city are insufficient, as a result growth and development of a city are set back.

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