



## District 6 of the Bucharest Municipality



**Quarterly financial report**  
at 31.03.2020

- General overview

## **Section I: Summary of budgetary dynamics**

- Revenue and expenditure balance at Q1 2020 vs. Q1 2019
- Revenues and expenditures structure

## **Section II: Budgetary revenues**

- The situation of the revenues collected at 31.03.2020
- The variation of the performed revenues at Q1 2020 compared to Q1 2019
- Budgetary provisions: the achievement degree of the revenues at Q1 2020
- Revenues ratios

## **Section III: Budgetary expenditures (functional and economic classification)**

- The situation of the expenditures performed at 31.03.2020
- The variation of the performed expenditures at Q1 2020 vs. Q1 2019
- Budgetary provisions: the achievement degree of the expenditures at Q1 2020
- Expenditures ratios

## **Section IV**

- Balance Sheet
- Local Public Debt Service

## **Glossary of terms**

## **Disclaimer**

## General overview



### General information

Bucharest – Ilfov is one of the eight development regions of Romania, composed of the Bucharest Municipality and Ilfov County. This region has an area of 1,821 km<sup>2</sup>, out of which 13.4% represents the territorial – administrative area of Bucharest Municipality and 86.6% of the Ilfov County.

The city of Bucharest is located in the south – east of Romania, in between the city of Ploiesti at North and Giurgiu at South. The city is located in Vlasiei Plain, which is part of the Romanian Plain, West from Baragan, East from Gavanu Burdea Plain and North from Burnazului Plain. The city has a total area of 238 km<sup>2</sup>, containing six districts, each being under the administration of a City Hall. The districts are radially disposed (clockwise numbered), so that each district has in administration a part of Bucharest's centre.

District 6 is the second largest district within the municipality of Bucharest. The main communities of the district are: Taberei Avenue, Militari, Giulesti and Crangasi.

Source: <https://ro.wikipedia.org/>;

Territorial administration and public utilities	Bucharest	B-IF Region
Land fund surface (2014)	238 km <sup>2</sup>	1,821 km <sup>2</sup>
Green areas surface in municipalities/cities (2018)	45 km <sup>2</sup>	48 km <sup>2</sup>
Length of city roads (2018)	3,399 km	4,338 km
Distribution simple network for drinking water (2018)	2,513 km	3,783 km
Simple length of sewer pipes (2018)	3,637 km	4,696 km
Total gas distribution network length (2018)	2,118 km	4,314 km
Distributed thermal energy (2018)	3,633,142 Gcal	3,642,000 Gcal

Population (01.01.2019)	District 6	Bucharest	B-IF Region
Total	394,097	2,131,034	2,571,442
Gender distribution			
female	211,327	1,135,320	1,361,647
male	182,770	995,714	1,209,795
Distribution by age categories			
0-19 years	66,264	367,023	465,540
20-44 years	150,518	806,562	984,068
45-59 years	76,430	432,585	518,079
60 years and above	100,885	524,864	603,755
Distribution by environment			
urban	394,097	2,131,034	2,333,349
rural	-	-	238,093

Workforce	Bucharest	B-IF Region
Work resources - people (2018)	1,207 th	1,535 th
Work resources occupancy rate (2018)	97.2%	89.4%
Number of employees - people (2018)	1,035 th	1,194 th
Unemployment rate (March 2020)	1.3%	1.1%

### National economy

Quarterly GDP, current prices	2017	772,880 RON millions
(seasonally adjusted) CAEN Rev. 2	2018	855,421 RON millions
	2019	953,453 RON millions

### Turnover of local units

	Bucharest	B-IF Region
Total (2018, RON millions), out of which:	411,621	506,013
Manufacturing industry	32,097	47,032
Constructions	26,494	32,216
Commerce	201,527	257,616
Energy production and supply	21,624	21,855
Real estate transactions	51,569	57,529
Information and communication	35,297	36,613
Transports and storage	19,234	25,779

Source: <http://www.inss.ro/cms/>; Last information available at the date of this report;

### Infrastructure

#### Current infrastructure

The Bucharest – Ilfov region accounts for the most important national and international road – railway – aerial network of the country. It is characterized by a high level of accessibility, being located on two multimodal European corridors: European Priority Axis No. 7 and European Priority Axis Giurgiu – Albita, as well as in the proximity of the Danube (European Priority Axis No. 18).

The Bucharest – Ilfov region has the highest density of railways at 1,000 km<sup>2</sup> of area (165.3 km/100 km<sup>2</sup>), which is four times higher than the national average. The city of Bucharest is the starting point of the 8 railway throughout fares with connections to the other regions of the country.

The aerial and multimodal accessibility is secured by two international airports: “Henri Coanda” (Otopeni), accounting for the largest international airport in Romania (70% out of the total aerial passenger transportation in Romania) and “Aurel Vlaicu” (Baneasa).

#### Sustainable Urban Mobility Plan 2016 – 2030

The Sustainable Urban Mobility Plan (SUMP) for the Bucharest – Ilfov region was proposed for public debate in 2017. The plan aims to develop an efficient, integrated, sustainable and secure transportation system, which will support the economic, social and territorial development and provide a better quality of life.

The investment plan is proposing the following objectives: 123 km of new underground railway, new ecological public means of conveyance, 350 km of rehabilitated county roads, 52 km of rehabilitated beltways, a minimum of 3,400 parking lots and bicycle rental networks.

Besides the information already presented, the SUMP is conditionality for accessing European funds in the period of 2014 – 2020, through the Regional Operational Program and the Large Infrastructure Operational Program.

Source: <http://www.mdrl.ro/>; <http://www.pmb.ro/>; <http://pmd.ro/>;

Ratios 31.03.2020 (RON th)	PMB	District 1	District 2	District 3	District 4	District 5	District 6
<b>Total revenues, w/o sums used from previous surplus</b>	<b>1,043,101</b>	<b>324,018</b>	<b>303,822</b>	<b>276,955</b>	<b>212,391</b>	<b>159,959</b>	<b>255,235</b>
Own revenues, w/o sums used from previous surplus	969,042	299,145	249,063	263,036	190,099	152,781	225,730
Own revenues % TR	92.9%	92.3%	82.0%	95.0%	89.5%	95.5%	88.4%
Quotas and sums deducted from the income tax	890,611	177,569	157,029	175,968	121,839	109,831	148,375
Sums deducted from VAT	8,677	24,750	24,373	9,655	18,139	7,003	25,644
Subsidies	33,480	106	222	2,645	4,114	149	3,710
Sums received from EU	31,900	-	162	1,619	39	26	151
<b>Total expenditures</b>	<b>1,002,839</b>	<b>235,230</b>	<b>217,809</b>	<b>183,867</b>	<b>210,476</b>	<b>138,368</b>	<b>215,848</b>
Operational expenditures	780,778	219,710	184,607	122,939	143,924	96,848	179,662
Operational expenditures %	77.9%	93.4%	84.8%	66.9%	68.4%	70.0%	83.2%
Investment expenditures	199,729	663	22,021	13,109	54,624	25,538	19,369
Capital expenditures	195,408	471	6,176	13,080	54,201	22,696	18,779
Non - refundable external funds	49,700	192	503	191	424	462	590
Financial expenditures	22,332	14,858	11,181	47,819	11,927	15,982	16,817
<b>Result of the period, w/o sums used from previous surplus</b>	<b>40,263</b>	<b>88,788</b>	<b>86,013</b>	<b>93,088</b>	<b>1,915</b>	<b>21,591</b>	<b>39,388</b>
<b>Sums used from previous surplus</b>	<b>-</b>	<b>146,808</b>	<b>80,000</b>	<b>-</b>	<b>2,307</b>	<b>40,500</b>	<b>-</b>
Population (01.01.2019)	2,131,034	254,074	372,032	478,214	329,472	303,145	394,097

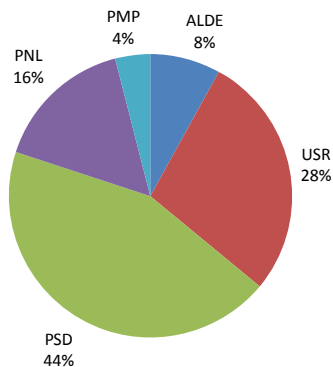
Source: <http://www.transparenta-bugetara.gov.ro/transparenta-bugetara/index.htm>;

# General overview

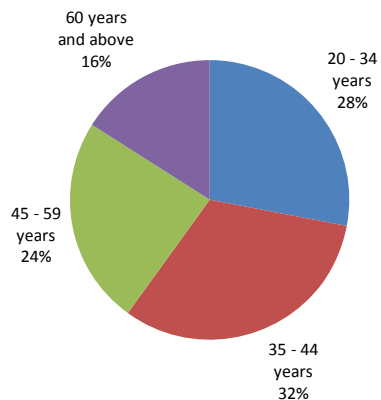
The Local Council of District 6 of the Municipality of Bucharest at 31.12.2019



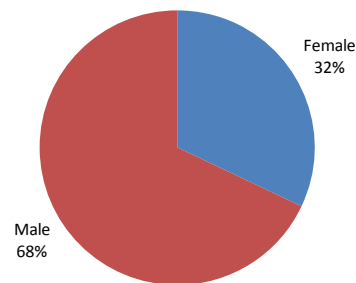
## Political structure



## Age distribution



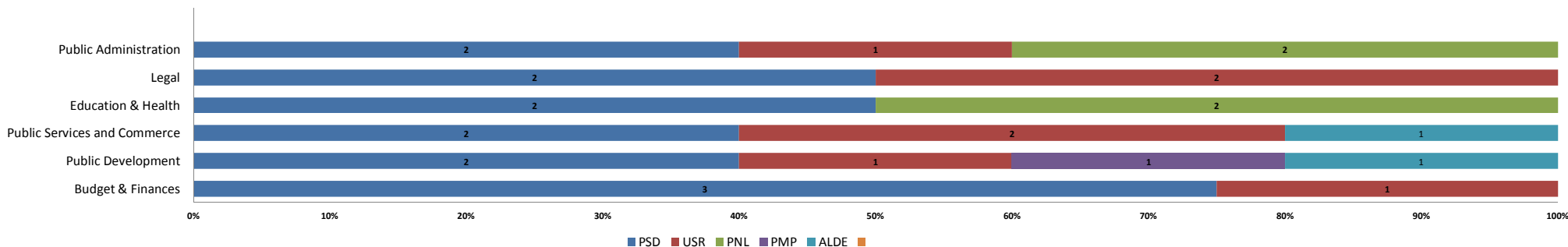
## Gender distribution



## Structure by political party, profession and age groups

Party	No.	Profession	Age group
PSD	1	Furniture technician	60 years and above
PSD	1	Journalist	35-44 years
PSD	1	Economist	20-34 years
PSD	1	Engineer-economist	60 years and above
PSD	1	Professor	35-44 years
PSD	1	Electronic technician	35-44 years
PSD	1	Engineer	35-44 years
PSD	2	Economist	35-44 years
PSD	1	Economist	45-59 years
PSD	1	Jurist	45-59 years
USR	1	Doctor	20-34 years
USR	1	Economist	20-34 years
USR	1	Legal adviser	60 years and above
USR	1	Programmer	20-34 years
USR	1	Engineer	45-59 years
USR	1	Journalist	35-44 years
USR	1	Architect	35-44 years
PNL	1	Economist	35-44 years
PNL	3	Professor	45-59 years
PMP	1	Engineer	45-59 years
ALDE	1	Engineer	35-44 years
ALDE	1	Administration specialist	20-34 years

## District 6 Local Council Commissions and their political structure



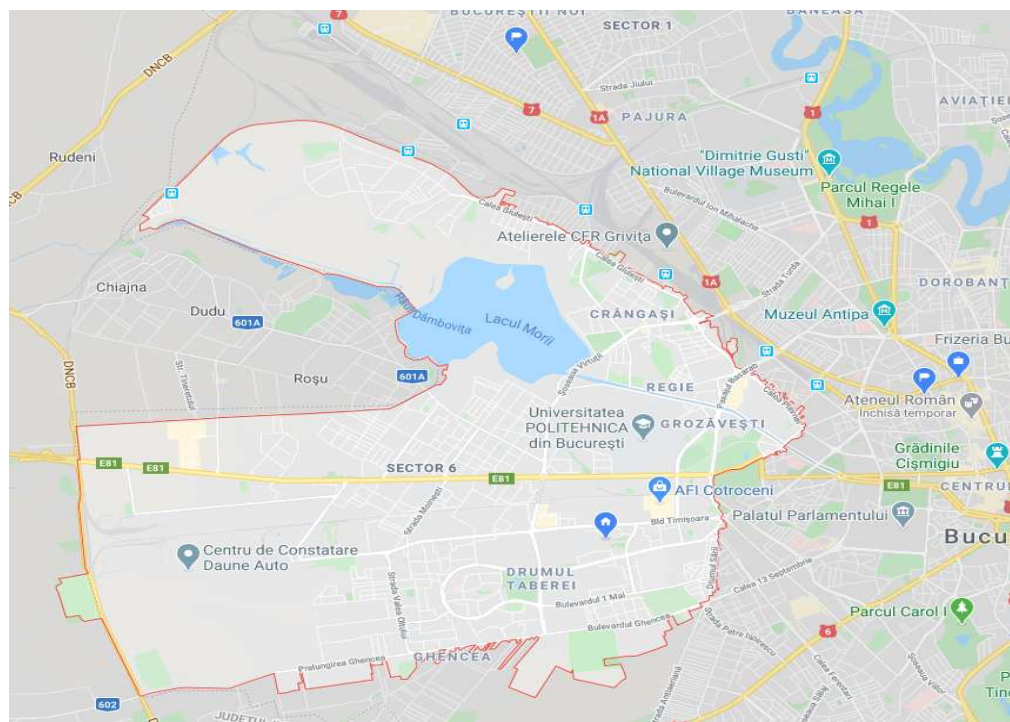
- The Mayor of District 6 of the Bucharest Municipality is Mr. Gabriel Mutu, following the result of the local elections from June 2016. Mr. Mutu represents the political alliance Democratic Social Party – National Union for the Progress of Romania, is 50 years old and a jurist by profession.
- The Deputy Mayor is Mr. Constantin Tomescu. Mr. Trocan represents the political alliance Democratic Social Party – National Union for the Progress of Romania, is 42 years old and an economist by profession.
- The Secretary of District 6 of the Bucharest Municipality is Mr. Demirel Spiridon. He is 52 years old and a jurist by profession.



## Institutions and directions subordinated to the Local Council of District 6

- **Specialized Body within the Mayor's Office;**
- **Schools Administration;**
- **Markets Administration** – entirely financed from own revenues, with a total number of 11 markets in this district;
- **Public Domain and Urban Development Administration;**
- **Directorate of Local Taxes and Duties;**
- **General Directorate for Social Assistance and Children Protection;**
- **Local Directorate for People Evidence;**
- **Directorate for the Administration of Real Estate;**
- **Inspectorate for Emergency Situations;**
- **European Cultural Center;**
- **Military Center;**
- **Multifunctional Health Center "Sf. Nectarie".**

## Geographic positioning in Bucharest Municipality



Source: <https://www.google.ro/maps/>

## Cultural and social environment

### Commerce and utilities

In District 6 there are over 10 major shopping centers, of which the most important are: Metro, Carrefour, Bricostore, Praktiker, AFI Mall, Plaza Romania, Cora, Expo Construct Militari, Dedeman, Sir Commercial Complex and approximately 1,200 shops carrying on commercial activities. Agro-food markets are concentrated in Drumul Taberei, Militari and Crangasi and are financed entirely from own revenues (extra-budgetary institutions). One source of revenue is the direct exploitation of markets Chilia Veche, Valea Ialomitei, Drumul Taberei II si Giulesti II through the payment of flat-rate charges for the market stalls and the second source of revenue is derived from contracts of association and renting of the remained markets (Gorjului, Veteranilor, Drumul Taberei I and Crangasi).

The utilities in District 6 are provided as follows: water supply by APA NOVA, thermal energy supply by RADET, the supply of natural gas by ENGIE and electricity supply by ENEL.

### Culture, recreation and religion

The most important objectives and attractions in the District 6 are: the Cotroceni National Museum (since 1861), the Chiajna Monastery (since 1774), the Polytechnic Institute, the Pasteur Institute, the Botanical Institute and the National Aerospace Research Institute Emil Carafolli, as well as Theater Masca and Children Comic Opera. The area benefits from many green spaces, the main parks being: Crangasi Park, Giulesti Park and Drumul Taberei Park (the largest park in the sector, modernized and reopened in June 2015), as well as the Botanical Garden (with a surface of approximately 17.5 ha).

### **Environment protection**

Amended by LCD No. 286 /23.11.2017 - Climate and Energy Mayors Convention - Following the adoption of the EU Climate and Energy Package for 2020, the European Commission launched the "Covenant of Mayors on Climate and Energy", bringing together local and regional authorities volunteers to implement the EU climate and energy objectives on their territory. By signing this Convention, the signatory authorities are committed to helping achieve the EU's 40% greenhouse gas reduction target by 2030 and to take a joint approach to integrate climate change mitigation and adaptation strategies to them.

In order to turn these commitments into reality, it is necessary to address the following steps:

- making an emission reference inventory and assessing risks and vulnerabilities linked to climate change;
- submitting an Action Plan on Sustainable Energy and Climate within two years from the date of the decision of the Local Council;
- Developing a progress report at least once every two years from the date of the Sustainable Energy and Climate Action Plan presentation for assessment, monitoring and verification.

By LCD No. 99/24.05.2018 the Local Multiannual Investment Program for Urban Regeneration of Sector 6 was approved in the period 2018-2020 in the amount of RON 150.000 th. The financing of the expenses related to the project implementation is ensured by internal or external reimbursable funds contracted by to ADPDU Sector 6, the ADPDU Sector 6 budget and/or other legally constituted sources. This project involves modernization and landscaping.

### **Education**

Through LCD No. 72/28.02.2018 the state and private pre-university education units were organized for the year 2019-2020: 27 state kindergartens and 25 private kindergartens, 25 state gymnasium schools and 5 private schools (primary and secondary school) , 14 state high schools and 7 private lyceum schools (of which 3 post-secondary schools), 2 institutions in the special education, 1 independent sports club and 1 club of children. The financing of the pre-university education is carried out on the basis of the National Education Law no. 1 of 2011, as amended. At the level of higher education, among the universities that have their headquarters in the 6th District, we mention: Polytechnic University of Bucharest, National Academy of Physical Education and Sports, Pentecostal Theological Institute and Ecological University.

By LCD No. 232/10.09.2019 approved the development and financing in the school year 2019-2020, from the local budget of Sector 6 of the City of Bucharest in the amount of 14.000.000 lei, the project "School after school" developed by the School Administration Sector 6, being targeted up to 6,000 students from the pre-university education units in the 6th District, who will benefit from a warm meal.

Through HCL no. 331 of 12.12.2019 was approved the educational project "Learning at kindergarten" for the year 2019-2020, which is addressed to all the preschoolers from the radius of Sector 6 of the Municipality of Bucharest. The purpose is to keep children in the educational system, with the help of formal and non-formal education. The fund allocated from the local budget amounts to a total of RON 769,300.

### **Social assistance**

By LCD no. 9 of 31.01.2019 was approved to carry out and financing in 2019 an amount of RON 777,200 from the local budget of the project of local interest "Home care for elderly persons dependent on the area of sector 6" carried out by the General Directorate of Social Assistance and Protection Child Sector 6. The aim of the project is to continue the development of alternative social services to institutionalization, respectively to provide home care services to elderly persons with legal domicile in sector 6, following the increase of their quality of life.

By LCD no. 24 of 31.01.2019 was approved to carry out and to finance within the amount of RON 909,148 from the local budget of Sector 6, in 2019, of the project "Ghencea Community Center" carried out by the General Directorate of Social Assistance and Child Protection Sector 6 in partnership with the Association Saint Archdeacon Stefan. Through this project it is proposed to address the problems caused by poverty and social marginalization, covering both the biological needs (shelter, food), as well as those of the psycho-social and educational nature of the poor families, thus generating an improvement in the standard of living. The Center provides the following social services: The Program for the Prevention of School Abandonment, which is addressed to children between the ages of 6 and 15 years who face school, educational, material difficulties; Social canteen, where a hot lunch is provided for 140 persons / day, from Monday to Friday, the beneficiaries of this program are elderly with limited financial possibilities, persons who are on the threshold of social marginalization.

By LCD no. 26 of 31.01.2019 was approved the development and financing from the local budget of Sector 6 in the amount of RON 1,291,561, in 2019, of the project "St. Marcellin Champagnat Residential Center" carried out by the General Directorate of Social Assistance and Child Protection Sector 6 in partnership with the Association "Marist Brothers of the Romanian Schools". This program aims to reduce the percentage of children who are part of the marginalization circle, giving them the opportunity to become independent, demilitarized and responsible persons.

By LCD no. 97 of 11.03.2019 was approved to carry out and to finance within the amount of RON 2,294,750 from the school budget of Sector 6, in 2019, of the project "Child protection center "Home" carried out by the General Directorate of Social Assistance and Child Protection Sector 6 in partnership with the Metropolis Philanthropic Foundation. The capacity of the center is 45 places, having as general objectives the social reintegration of children temporarily or permanently separated from their family, social assistance for children in difficulty, vocational orientation and cultivation of natural talents, preparing the child for reintegration into the educational system, etc.



### Bucharest (2019-2020)

#### Changes in allotments from the State Budget

For 2019

- Quotas allotment:
  - Quotas and amounts deducted from the income tax: 100% distribution;
  - Municipality of Bucharest: decrease of the allocation percentage at 49% from 55% in the previous year;
  - Districts of the Municipality of Bucharest: increase of the allocation percentage at 51% from 30% in the previous year.
- The allocation is made in two steps:
  - Provide the minimum operating budget of lei 1.250/capita/year, in addition to own revenues;
  - The difference is distributed directly proportional with the estimated tax to be realized in each district range.

For 2020

- Quotas allotment:
  - Quotas and amounts deducted from the income tax: 100% distribution;
  - Municipality of Bucharest: increase of the allocation percentage at 50%;
  - Districts of the Municipality of Bucharest: decrease of the allocation percentage at 50%.
- The allocation is made in two steps:
  - Provide the minimum operating budget of lei 1.000/capita/year, in addition to own revenues;
  - The difference is distributed directly proportional with the estimated tax to be realized in each district range.

## Table of contents Section I



### Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q1 2020 vs. Q1 2019
- Revenue and expenditure structure



# Balance of revenues and expenditures at Q1 2020, as compared to Q1 2019

'000 RON



	Q1 2019	Q1 2020	%
<b>TOTAL REVENUES</b>	<b>206,937.0</b>	<b>255,235.2</b>	<b>▲ 23.3%</b>
<b>TOTAL EXPENDITURES</b>	<b>158,339.4</b>	<b>215,847.6</b>	<b>▲ 36.3%</b>
<b>Operational Revenues</b>	<b>200,324.6</b>	<b>251,522.3</b>	<b>▲ 25.6%</b>
<b>Tax revenues</b>	<b>194,806.0</b>	<b>247,172.3</b>	<b>▲ 26.9%</b>
Own tax revenues	148,438.5	221,528.3	▲ 49.2%
Sums deducted from VAT	46,367.5	25,644.0	▼ -44.7%
<b>Non - tax revenues, out of which:</b>	<b>5,407.7</b>	<b>4,198.5</b>	<b>▼ -22.4%</b>
Non - tax own revenues	299.0	354.2	▲ 18.4%
Donations and sponsorships	-	-	-
<b>Current subsidies</b>	<b>110.8</b>	<b>151.5</b>	<b>▲ 36.7%</b>
<b>Operational Expenditures (OPEX), out of which:</b>	<b>141,497.5</b>	<b>179,661.8</b>	<b>▲ 27.0%</b>
Staff costs (PEREX)	42,820.5	45,649.3	▲ 6.6%
Goods and services*	62,041.4	89,880.3	▲ 44.9%
Current transfers	13,221.5	16,642.5	▲ 25.9%
Social assistance	14,801.0	17,606.5	▲ 19.0%
Subsidies	848.1	1,050.0	▲ 23.8%
Other expenditures	7,765.1	4,162.7	▼ -46.4%
<b>Operational Result</b>	<b>58,827.1</b>	<b>71,860.5</b>	
Operational Surplus (% from OPEX)	41.6%	40.0%	
Operational Deficit (% from Op. revenues)	-	-	
<b>Investment Revenues</b>	<b>70.2</b>	<b>3,713.0</b>	<b>▲ 5186.7%</b>
Capital revenues	5.9	3.6	▼ -38.2%
Capital subsidies	11.8	3,558.2	▲ 29993.2%
Sums received from the EU	52.6	151.1	▲ 187.6%
<b>Investment Expenditures (CAPEX), out of which:</b>	<b>8,747.6</b>	<b>19,368.5</b>	<b>▲ 121.4%</b>
Capital transfers	-	-	-
Projects with EU financing	223.3	589.8	▲ 164.1%
Capital expenditures	8,524.2	18,778.7	▲ 120.3%
<b>Result from the investment activity</b>	<b>- 8,677.3</b>	<b>- 15,655.6</b>	
<b>Financial Revenues</b>	<b>6,542.2</b>	<b>-</b>	<b>-</b>
Financial operations	6,542.2	-	-
<b>Financial Expenditures</b>	<b>8,094.4</b>	<b>16,817.3</b>	<b>▲ 107.8%</b>
Commissions related to loans	-	-	-
Interests	5,190.5	7,796.7	▲ 50.2%
Reimbursement of loans	2,903.9	9,020.6	▲ 210.6%
<b>Financial Result</b>	<b>- 1,552.2</b>	<b>- 16,817.3</b>	
<b>Result of the period</b>	<b>48,597.6</b>	<b>39,387.6</b>	<b>▼ -19.0%</b>
Surplus (% from Total Expenditures)	30.7%	18.2%	
Deficit (% from Total Revenues)	-	-	
<b>Result of the period (without previous year's surplus)</b>	<b>42,055.4</b>	<b>39,387.6</b>	<b>▼ -6.3%</b>
Own revenues/Operational revenues (%)	80.1%	89.7%	
OPEX/Own revenues (%)	88.2%	79.6%	
(OPEX-PEREX, from Education&Insurance and social assistance)/(O. Rev.-Quotas deducted from the income tax) (%)	95.3%	65.9%	

- At the end of the first three months of the current year, the **Operating result** recorded a surplus in amount of RON 71,860.5 th, representing 40% in total Operational expenditures, being by RON 13,033.4 th (+22.2%) above the surplus recorded in the similar period of the year 2019. The evolution is determined by the accelerated growth of the Operational Revenues (+RON 51,197.7 th, +25.6%), compared with that for Operational expenditures (+RON 38,164.3 th, +27%).
- The **Result from the investment activity** recorded a deficit in amount of RON 15,655.6 th at Q1 2020. The result of the current year is obtained as a result of the registration of the Investment expenditures in amount of RON 19,368.5 th (mainly Capital expenditures), while the Investment revenues are in amount of RON 3,713 th.
- The **Financial result** marks a deficit in amount of RON 16,817.3 th, being higher by RON 15,265.1 th than the one registered in the same period of the previous year. The result was obtained due to the fact of the registration of higher Financial expenditures by RON 8,722.9 th (+107.8%), while no more Financial revenues are observed.
- The **Result of the period** (without uses from the previous surplus) is a positive one in both analyzed periods. Therefore, taking into consideration the operational surplus, the result of the period registers a surplus of RON 56,030.1 th in Q1 2020.

\*) **Goods and services** title, highlighted within the Operational Expenditures, does not include the expenditures on **Commissions and other costs related to loans**, being reflected at the level of the Financial Expenditures;

# Revenues and expenditures balance at Q1 2020, as compared to Q1 2019

'000 RON



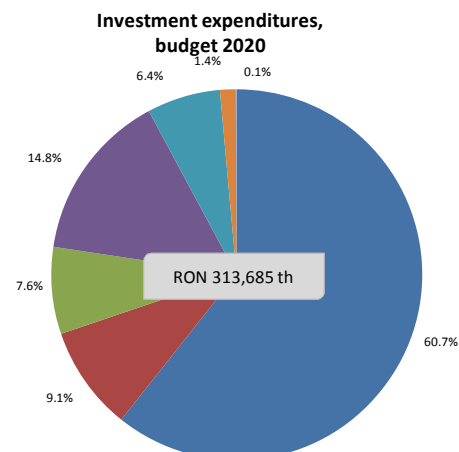
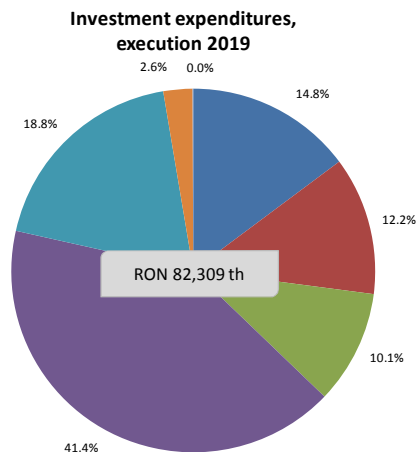
Payments performed at Q1 2020, as compared to Q1 2019 (Variation)

Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:					Investment Expenditures	Investment expenditures (Budget 2020)
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance	Financial Expenditures		
Public Authorities and external	4,313.9	4,186.8	781.5	8,532.0	-	0.0	127.1	23,801.0
Other general public services	-50.0	-50.0	-	0.0	-	-	0.0	-
Transactions regarding the public debt and loans	2,606.2	0.0	-	-	-	2,606.2	-	-
General Transfers between different levels of administration	-	-	-	-	-	-	-	-
Defense	4.7	4.7	-	4.7	-	-	-	-
Public order and national security	93.1	93.1	-	1.1	-	-	0.0	-
Education	15,530.6	8,961.6	839.8	2,815.1	534.2	-	6,569.0	28,619.0
Health	0.0	0.0	-	0.0	-	-	0.0	-
Culture, recreation and religion	8,066.4	5,084.9	4.6	2,308.0	-	-	2,981.4	20,190.0
Insurance and social assistance	12,814.5	12,551.3	1,164.1	7,843.0	3,339.7	-	263.2	4,321.0
Housing, public services and	3,734.5	968.6	63.7	51.6	-	6,116.7	3,350.8	190,313.0
Environment protection	2,732.7	2,740.7	-	2,740.7	-	-	8.0	160.0
General economic, commercial and working actions	-	-	-	-	-	-	-	-
Fuel and power	-	-	-	-	-	-	-	-
Agriculture, Forestry, Fish breeding	-	-	-	-	-	-	-	-
Transport	7,661.7	3,622.5	24.9	3,645.9	-	0.0	4,039.2	46,281.0
Other economic actions	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>57,508.1</b>	<b>38,164.3</b>	<b>2,828.8</b>	<b>27,838.9</b>	<b>2,805.5</b>	<b>8,722.9</b>	<b>10,621.0</b>	<b>313,685.0</b>

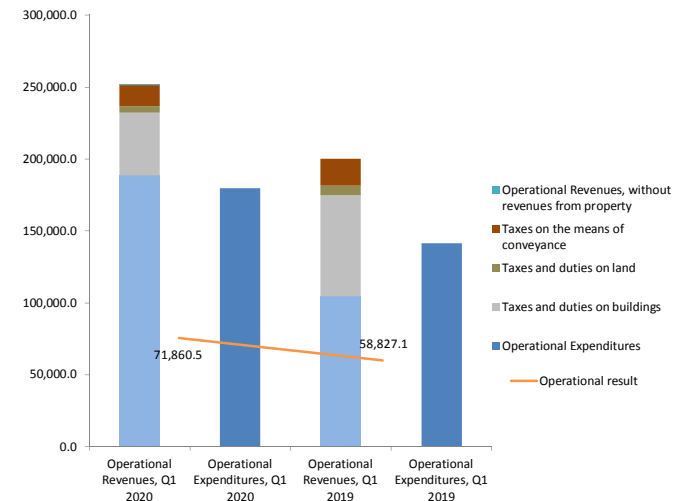
\* Goods and services title, highlighted within the Operational Expenditures, does not include the expenditures on Commissions and other costs related to loans, being reflected at the level of the Financial Expenditures;

Distribution of the Investment expenditures in 2020 (according to the budget), as compared to the distribution of the execution in 2019

Structure of the Operational Result (Q1 2020 vs. Q1 2019)



- Housing, public services and development
- Education
- Public authorities and external actions
- Transports
- Culture, recreation and religion
- Insurance and social assistance
- Other capital expenditures



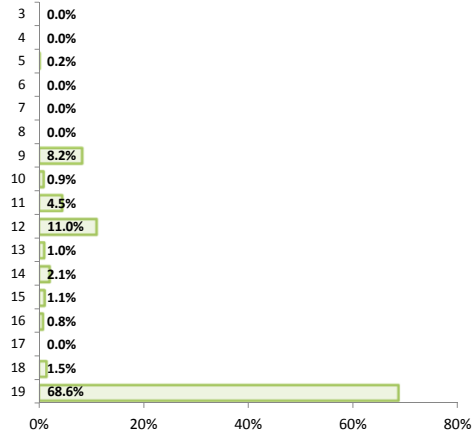
# Revenue and expenditure structure

at 31.03.2020

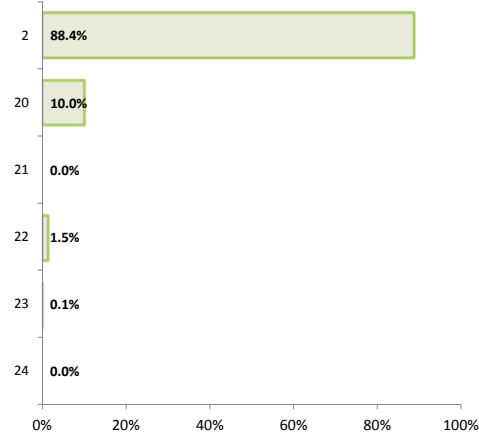
'000 RON



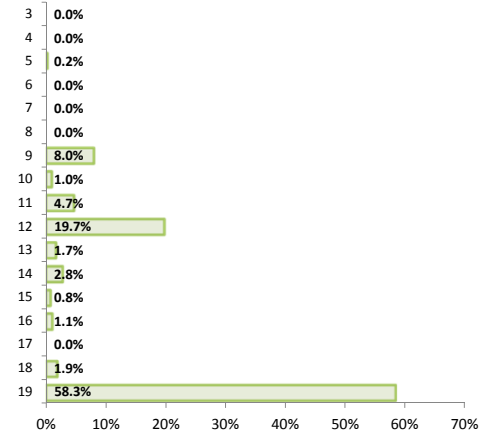
The structure of performed own revenues  
255,235.2



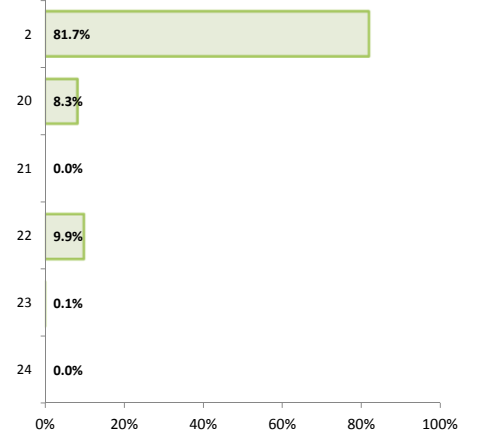
The structure of performed total revenues  
255,235.2



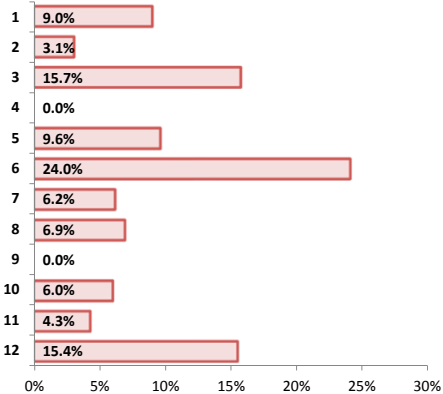
The structure of planned own revenues  
322,505.0



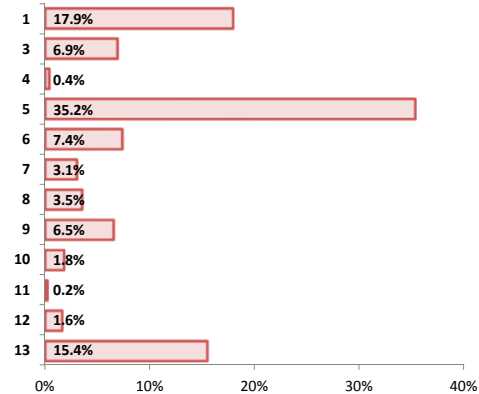
The structure of planned total revenues  
322,505.0



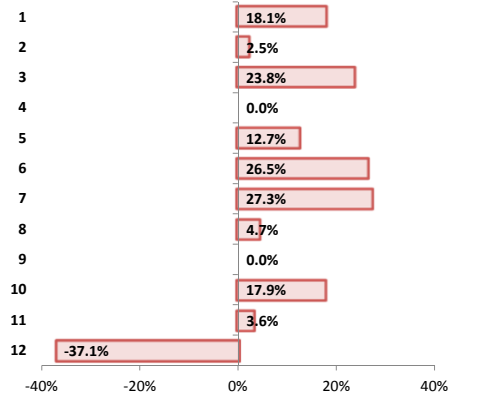
The structure of performed functional expenditures  
255,235.2



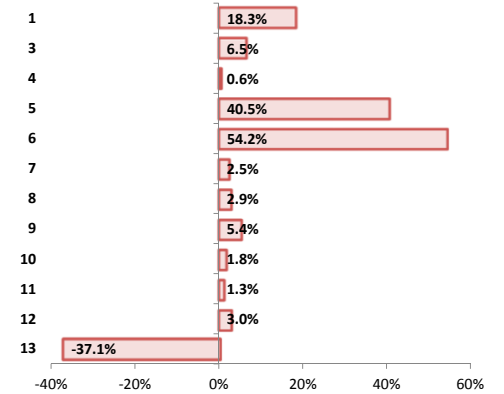
The structure performed economic expenditures  
255,235.2



The structure of planned functional expenditures  
322,505.0

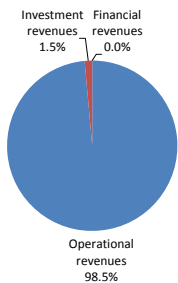


The structure of planned economic expenditures  
322,505.0

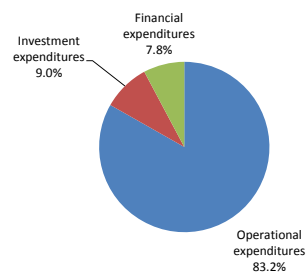


Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

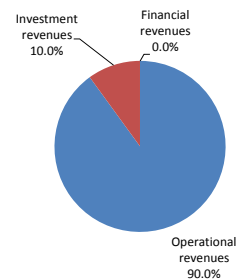
Collected revenues at Q1 2020



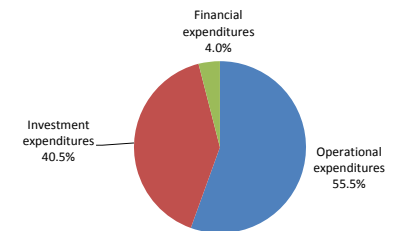
Performed expenditures at Q1 2020



Planned revenues at Q1 2020



Planned expenditures at Q1 2020





### Section II: Budgetary revenues

- The situation of the revenues collected at 31.03.2020
- The variation of the performed revenues at Q1 2020 compared to Q1 2019
- Budgetary provisions: the achievement degree of the revenues at Q1 2020
- Revenues ratios

# The situation of the revenues collected at 31.03.2020



'000 RON

Line	Revenues	2020				2019**									
		Planned 2020	% /TRC	Planned at Q1	% /TRC	Rectified at Q1	% /TRC	Execution at Q1	% /TRC	Planned 2019	% /TRC	Planned at Q1	% /TRC	Execution at Q1	% /TRC
1	<b>Total revenues (TR)</b>	<b>1,039,915.0</b>		<b>322,505.0</b>		<b>341,577.0</b>		<b>255,235.2</b>		<b>872,873.0</b>		<b>179,864.0</b>		<b>206,937.0</b>	
2	<b>Own revenues, out of which:</b>	<b>835,267.0</b>	80.3	<b>263,459.0</b>	81.7	<b>264,329.0</b>	77.4	<b>225,730.4</b>	88.4	<b>769,372.0</b>	88.1	<b>146,823.0</b>	81.6	<b>160,394.3</b>	80.0
3	Quotas deducted from the income tax	-	0.0	-	-	-	-	-	-	42,219.0	4.8	42,219.0	23.5	42,218.4	21.1
4	Capital revenues	40.0	0.0	10.0	0.0	10.0	0.0	3.6	0.0	40.0	0.0	10.0	0.0	5.9	0.0
5	Revenues from concessions and rents	1,700.0	0.2	500.0	0.2	500.0	0.1	414.2	0.2	1,900.0	0.2	400.0	0.2	367.3	0.2
6	Payments from net profit of self-governing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tax on revenues from the transfer of real estate from the private patrimony	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Tax on buildings from the population	29,000.0	2.8	21,000.0	6.5	21,000.0	6.1	18,612.9	7.3	32,000.0	3.7	21,000.0	11.7	20,245.7	10.1
10	Tax on land from the population	4,100.0	0.4	2,600.0	0.8	2,600.0	0.8	2,017.3	0.8	4,000.0	0.5	2,600.0	1.4	2,514.7	1.3
11	Tax on the means of conveyance owned by the population	19,000.0	1.8	12,300.0	3.8	12,300.0	3.6	10,151.7	4.0	18,000.0	2.1	12,000.0	6.7	11,690.8	5.8
12	Tax on buildings from the legal entities	112,000.0	10.8	52,000.0	16.1	52,000.0	15.2	24,883.0	9.7	90,000.0	10.3	40,000.0	22.2	50,415.2	25.2
13	Tax on land from the legal entities	9,700.0	0.9	4,400.0	1.4	4,400.0	1.3	2,357.1	0.9	9,000.0	1.0	3,500.0	1.9	4,257.7	2.1
14	Tax on the means of conveyance owned by the legal entities	14,800.0	1.4	7,300.0	2.3	7,300.0	2.1	4,761.8	1.9	14,000.0	1.6	7,000.0	3.9	6,854.4	3.4
15	Fees and charges for the issuance of licences and functioning authorisations	10,200.0	1.0	2,000.0	0.6	2,000.0	0.6	2,465.6	1.0	15,000.0	1.7	3,000.0	1.7	1,578.4	0.8
16	Stamp duties, for notary work and other stamp	12,000.0	1.2	2,800.0	0.9	2,800.0	0.8	1,781.1	0.7	9,500.0	1.1	2,400.0	1.3	2,240.4	1.1
17	Extrajudicial stamp duties	25.0	0.0	6.0	0.0	6.0	0.0	3.9	0.0	23.0	0.0	5.0	0.0	4.0	0.0
18	Revenues from fines and other legal sanctions	20,000.0	1.9	5,000.0	1.6	5,000.0	1.5	3,369.3	1.3	21,500.0	2.5	5,500.0	3.1	4,735.5	2.4
19	Other own revenues	602,702.0	58.0	153,543.0	47.6	154,413.0	45.2	154,908.7	60.7	512,190.0	58.7	7,189.0	4.0	13,266.1	6.6
20	Sums deducted from the VAT	97,086.0	9.3	26,722.0	8.3	25,644.0	7.5	25,644.0	10.0	42,243.0	4.8	32,865.0	18.3	46,367.5	23.1
21	Donations and sponsorships	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Subsidies received from the State Budget	104,226.0	10.0	31,948.0	9.9	13,118.0	3.8	3,709.7	1.5	59,643.0	6.8	123.0	0.1	122.7	0.1
23	Sums received from EU for the made payments	3,336.0	0.3	376.0	0.1	38,486.0	11.3	151.1	0.1	1,615.0	0.2	53.0	0.0	52.6	0.0
24	Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR
	<b>Operational revenues</b>	<b>932,313.0</b>	<b>89.7</b>	<b>290,171.0</b>	<b>90.0</b>	<b>289,963.0</b>	<b>84.9</b>	<b>251,522.3</b>	<b>98.5</b>	<b>812,668.0</b>	<b>93.1</b>	<b>179,789.0</b>	<b>100.0</b>	<b>200,324.6</b>	<b>96.8</b>
	<b>Investment revenues</b>	<b>107,602.0</b>	<b>10.3</b>	<b>32,334.0</b>	<b>10.0</b>	<b>51,614.0</b>	<b>15.1</b>	<b>3,713.0</b>	<b>1.45</b>	<b>60,205.0</b>	<b>6.9</b>	<b>75.0</b>	<b>0.0</b>	<b>70.2</b>	<b>0.03</b>
	<b>Financial revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,542.2</b>	<b>3.2</b>
	<b>Total revenues - operating section</b>	<b>772,508.0</b>	<b>74.3</b>	<b>250,310.0</b>	<b>77.6</b>	<b>251,582.0</b>	<b>73.7</b>	<b>231,638.3</b>	<b>90.8</b>	<b>705,026.0</b>	<b>80.8</b>	<b>173,943.0</b>	<b>96.7</b>	<b>194,479.5</b>	<b>94.0</b>
	<b>Total revenues - development section, out of which:</b>	<b>267,407.0</b>	<b>25.7</b>	<b>72,195.0</b>	<b>22.4</b>	<b>89,995.0</b>	<b>26.3</b>	<b>23,597.0</b>	<b>9.2</b>	<b>167,847.0</b>	<b>19.2</b>	<b>5,921.0</b>	<b>3.3</b>	<b>12,457.6</b>	<b>6.0</b>
	<b>Previous surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,542.2</b>	<b>3.2</b>
	<b>Total revenues collected (TRC* = TR - Previous surplus)</b>	<b>1,039,915.0</b>	<b>100.0</b>	<b>322,505.0</b>	<b>100.0</b>	<b>341,577.0</b>	<b>100.0</b>	<b>255,235.2</b>	<b>100.0</b>	<b>872,873.0</b>	<b>100.0</b>	<b>179,864.0</b>	<b>100.0</b>	<b>200,394.8</b>	<b>96.8</b>

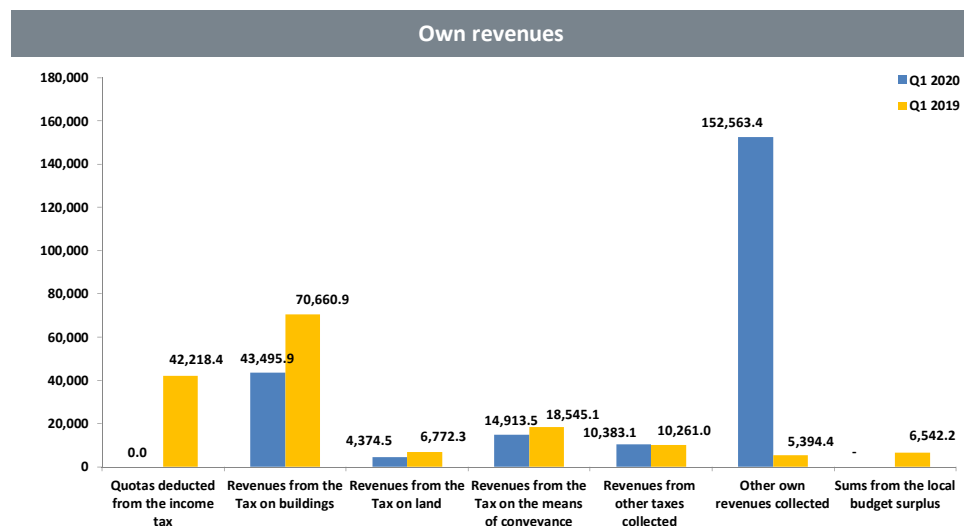
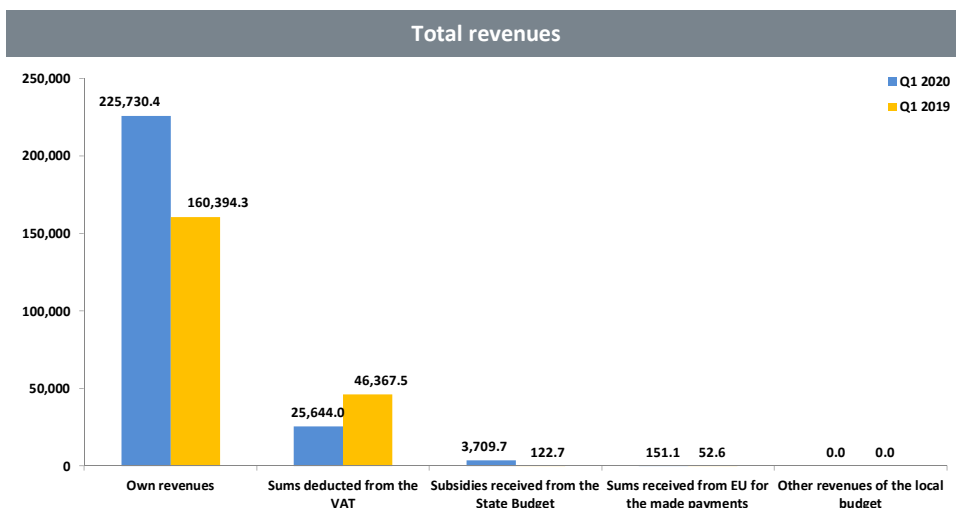
\*) %TRC - Represents the weight of each line in Total Revenues Collected (without reserves);

\*\*) The budget was not rectified at 31.03.2019;

Revenues from the tax on property	188,600.0	18.1	99,600.0	30.9	99,600.0	29.2	62,783.9	24.6	167,000.0	19.1	86,100.0	47.9	95,978.3	47.9
9 + 12 Taxes and duties on buildings	141,000.0	13.6	73,000.0	22.6	73,000.0	21.4	43,495.9	17.0	122,000.0	14.0	61,000.0	33.9	70,660.9	35.3
10 + 13 Tax and duties on land	13,800.0	1.3	7,000.0	2.2	7,000.0	2.0	4,374.5	1.7	13,000.0	1.5	6,100.0	3.4	6,772.3	3.4
11 + 14 Taxes on the means of conveyance	33,800.0	3.3	19,600.0	6.1	19,600.0	5.7	14,913.5	5.8	32,000.0	3.7	19,000.0	10.6	18,545.1	9.3

## The variation of the performed revenues at Q1 2020 compared to Q1 2019

'000 RON



- Total revenues collected at Q1 2020 are increasing by 23.3%, respectively by RON 48,298.2 th. Without taking into consideration the Sums from the local budget surplus used for financing the development expenditures, there is an increase of revenues by 27.4% in the period, respectively by RON 54,840.4 th.
- **Own revenues**, with a weight of 88.4% in the total revenues during the reporting period, had an increase of RON 65,336 th (+40.7%).
- **Subsidies from the state budget** registered a increase by RON 3,587,1 th, mainly at the level of the Capital subsidies, respectively due to the amounts registered for the Financing of the National Program of Local Development (reaching RON 3,552.1 th).
- **Sums deducted from the VAT** recorded a decrease by RON 20,723.5 th (-44.7%), generated by a lower level of the Sums deducted from VAT for financing the expenditures of districts (-RON 22,149.2, -51.4%) and a higher level of Amounts deducted from the VAT for financing the private or accredited confessional education (+RON 1,425.8 th, +43.9%).

- **Own revenues** attained the value of RON 225,730.4 th during the reporting period, and the most important influences that determine the increases within the group are found at the level of the following categories:
  - **Other own revenues collected** increasing by RON 147,169 th, with a major influence from the Sums allocated from the quotas deducted from income tax to balance the local budgets (with a value of RON 148,374.7 th) and the Revenues from fines and other legal sanctions (- RON 1,366.2 th, -28.9%);
  - **Other taxes collected to the local budget** with a surplus of RON 122.2 th (+1.2%) compared to the first three months of the previous year determined by the Fees and charges for the issuance of licences and authorisations of functioning (+887.2 RON th, +56.2%), Stamp duties, for notary work and other stamp duties (-459.3 th RON, -20.5%) and Other taxes and duties (-180.4 th RON, -3.9 %);
  - **Quotas deducted from income tax**, with an absence of the amounts from the budget execution, compared to the value of RON 42,218.4 th registered in the previous year. The influence comes from the State Budget Law no. 5/2020, art. 6. (3) which, by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent modifications and completions, stipulates a different allocation of quotas from the income tax, as well as modifications of the allocated percentage. Thus, unlike in 2019, at the level of the Bucharest Municipality districts, the quotas collected decreased from 51% to a total allocated level of 50%. The amounts to be collected will be reflected in local budgets at the level of Sums allocated from the quotas deducted from income tax to balance the local budgets;

## The variation of the performed revenues at Q1 2020 compared to Q1 2019

'000 RON



### Own revenues

- **Revenues from taxes on property**, by RON 33,194.4 th (-34.6%) below the level of the reference period of 2019, mostly due to the amounts collected from legal entities (-RON 29,525.3 th, -48%). The decrease of these revenues is directly impacted by the decision of the Ministry of Public Finance, in support of taxpayers, regarding a postponement of the first tax payment deadline until the end of June 2020, under the risk of spreading the COVID-19 epidemic;
- **Sums from the local budget surplus used for financing the development expenditures**, without amounts recorded in the current period, compared to the value of RON 6,542.2 th used in the previous year.

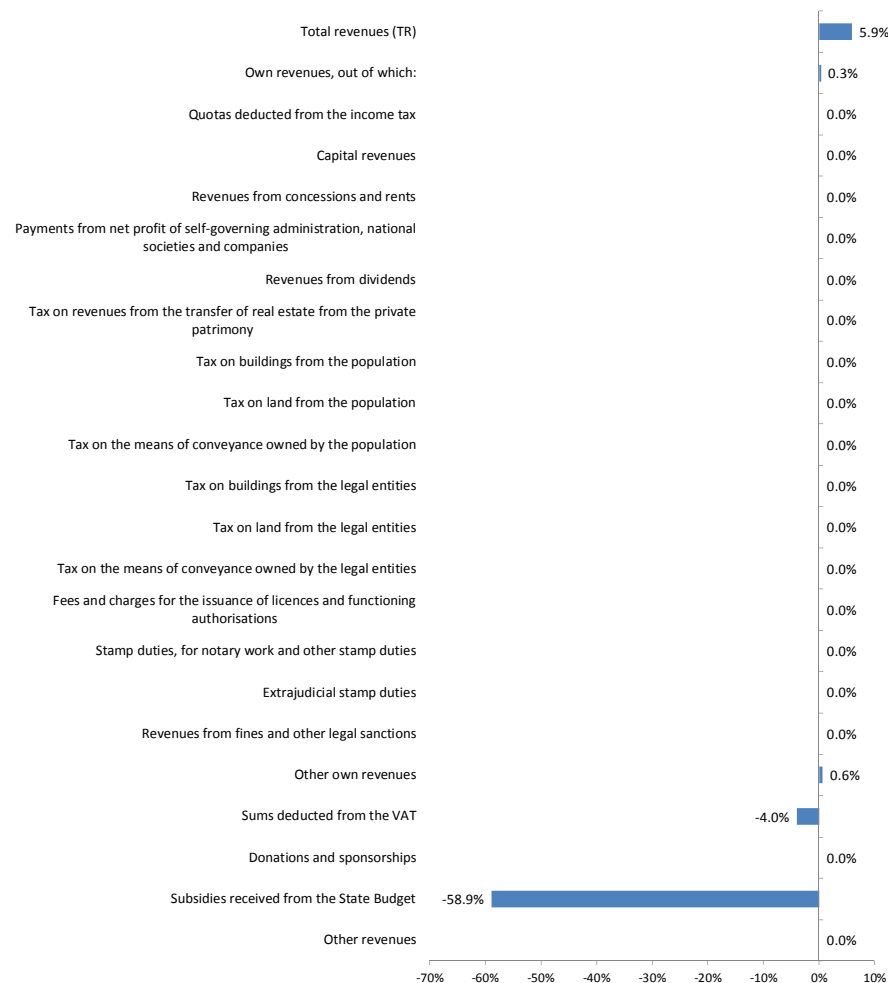
# Budgetary provisions

## achievement degree of the revenues at Q1 2020

'000 RON



### Revenues rectification, as compared to the initial budget



Note: The graphical representation above does not include Sums received from the EU for payments performed (+10,035.6%);

- The initial budget was rectified through the LCD no. 51/26.03.2020 in the means of an increase of provisions by RON 19,072 th, up to a total of RON 341,577 th.
- Changes in the revenue structure are highlighted at the level of estimates regarding:
  - **Sums received from the EU for the payments performed** (+RON 38,110 th, up to RON 38,486 th), respectively allocations of RON 37,949 th for the European Fund for Regional Development and of RON 161 th for Other amounts received from the EU;
  - **Sales of goods and services** (+RON 870 th, +15.5%, up to RON 6.472 th), by allocations of RON 510 th for Contribution for the upkeep of assisted persons and of RON 360 th for Contribution of parents and legal guardians for the upkeep of children in nurseries;
  - **Subsidies received from the State Budget** (-RON 18,830 th, -58.9%, down to RON 13,118 th), respectively at the level of those for capital by eliminating the provisions for the financing of some programs of national interest for the operating section of the local budget (amounting to RON 29,757 th in the initial budget) and increasing those for Financing of the National Program of Local Development (+RON 6,036 th, +371.4%) and those necessary for the development of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework (RON 4,891 th, +864.1%);
  - **Sums deducted from the VAT for the local budgets** (-RON 1,078 th, -4%, down to RON 25.644 th), by diminishing those financing the private or accredited confessional education.



## Budgetary provisions

achievement degree of the revenues at Q1 2020

'000 RON



The achievement degree, as compared to the final provisions of the period

- The total revenues collected from the local budget at the end of the reporting period are by RON 86,341.8 th below the final budget, thus marking an execution degree of 74.7%.
- **Investment revenues** are situated by RON 47,901 th below the level estimated in the budget of the first three months, with an execution degree of 7.2%. Major influences are observed at the level of:
  - **Sums received from the EU for the payments performed**, by RON 38,334.9 th (-99.6%) below the budget, due to the absence of sums for the European Fund for Regional Development (with final provisions of RON 37,949 th);
  - **Capital subsidies**, being by RON 9,559.8 th (-72.9%) below the estimated value, with lower executions for those necessary for the development of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework (-RON 5,450.9 th, -99.9%) and those for Financing of the National Program of Local Development (-RON 4,108.9 th, -53.6%).
- **Operational revenues** are situated by RON 38,440.7 th below the level estimated in the budget, having an execution degree of 86.7%. The budget execution structure is influenced by the following categories of revenues:
  - **Revenues from taxes on property**, being by RON 36,816.1 th (-37%) below the estimated level, with a dynamics determined mainly by the sums collected from legal entities (-RON 31,698 th, -49.8%), respectively Taxes and duties on buildings;
  - **Revenues from fines and other legal sanctions**, the collected sums being by RON 1,630.7 th (-32.6%) below the budget;
  - **Stamp duties, for notary work and other stamp duties** registering a lower level by RON 1,018.9 th (-36.4%).

## Revenues ratios at Q1 2020, as compared to Q1 2019

'000 RON



Ratios	Q1 2020	Q1 2019
<b>Revenues from the tax on property</b>	<b>62,784.0</b>	<b>95,978.3</b>
Revenues per Capita	159.3 RON	245.4 RON
The revenue weight in the total revenues	24.6%	46.4%
<b>Own tax revenues</b>	<b>221,528.3</b>	<b>148,438.5</b>
Revenues per Capita	562.1 RON	379.6 RON
The revenue weight in the total revenues	86.8%	71.7%
<b>Total current revenues (autonomous)</b>	<b>251,370.8</b>	<b>200,213.7</b>
Revenues per Capita	637.8 RON	512.0 RON
The revenue weight in the total revenues	98.5%	96.8%
<b>Operational revenues</b>	<b>251,522.3</b>	<b>200,324.6</b>
Revenues per Capita	638.2 RON	512.3 RON
The revenue weight in the total revenues	98.5%	96.8%
<b>Investment revenues</b>	<b>3,712.98</b>	<b>70.2</b>
Revenues per Capita	9.4 RON	0.2 RON
The revenue weight in the total revenues	1.45%	0.03%
<b>Total revenues per Capita</b>	<b>647.6 RON</b>	<b>529.2 RON</b>
<b>Own revenues per Capita</b>	<b>572.8 RON</b>	<b>410.2 RON</b>
<b>The level of financing from the own revenues</b>	<b>88.4%</b>	<b>77.5%</b>
<b>The degree of self-financing</b>	<b>88.4%</b>	<b>57.1%</b>
<b>The degree of dependency of the local budget to the state budget</b>	<b>69.6%</b>	<b>22.5%</b>
<b>The degree of decisional autonomy</b>	<b>88.4%</b>	<b>77.5%</b>
<b>The degree of achievement of the revenues from the initial budget</b>	<b>79.1%</b>	<b>115.1%</b>
<b>The degree of achievement of the revenues from the final budget</b>	<b>74.7%</b>	<b>115.1%</b>
<b>The degree of achievement of the own revenues from the initial budget</b>	<b>85.7%</b>	<b>109.2%</b>
<b>The degree of achievement of the own revenues from the final budget</b>	<b>85.4%</b>	<b>109.2%</b>
<b>The degree of achievement of the property taxes from the initial budget</b>	<b>63.0%</b>	<b>111.5%</b>
<b>The degree of achievement of the property taxes from the final budget</b>	<b>63.0%</b>	<b>111.5%</b>
<b>The annual estimate from the local tax revenues (maximum probability)</b>	<b>146,307.2</b>	<b>216,775.7</b>
<b>The annual estimate from the local tax revenues (rectified budget)</b>	<b>225,754.0</b>	<b>207,251.0</b>
<b>The degree of achievement of the annual revenues estimated from the local tax revenues</b>	<b>154.3%</b>	<b>95.6%</b>
<b>The collection degree from the initial budget of the revenues from:</b>		
Quotas deducted from the income tax	-	100.0%
Taxes on buildings from the population	88.6%	63.3%
Taxes on land from the population	77.6%	62.9%
Taxes on the means of conveyance from the population	82.5%	64.9%
Taxes on buildings from legal entities	47.9%	56.0%
Taxes on land from legal entities	53.6%	47.3%
Taxes on the means of conveyance from legal entities	65.2%	49.0%
Capita, as of:	<b>394,097</b> 1/1/2019	<b>391,050</b> 1/1/2018

- **The revenues from the tax on property** are decreasing by RON 33,194.4 th (-34.6%), due to the receipts from Taxes and duties on buildings (-RON 27,164.9 th, -38.4%), means of conveyance (-RON 3,631.6 th, -19.6%) and land (-RON 2,397.9 th, -35.4%). The decrease of these revenues is directly impacted by the decision of the Ministry of Public Finance, in support of taxpayers, regarding the postponement of the first tax payment deadline until the end of June 2020, under the risk of spreading the COVID-19 epidemic.
- **Own tax revenues** are higher by RON 73,089.8 th (+49.2%), mainly due to:
  - Increasing of Quotas and amounts deducted from the income tax (+RON 106,156.3 th, + 251.4%). The influence comes from the State Budget Law no. 5/2020, art. 6. (3) which, by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent modifications and completions, stipulates a different allocation of quotas from the income tax, as well as modifications of the allocated percentage. Thus, unlike in 2019, at the level of the Bucharest Municipality districts, the quotas collected decreased from 51% to a total allocated level of 50%. The amounts to be collected will be reflected in local budgets at the level of Sums allocated from the quotas deducted from income tax to balance the local budgets;
  - Increasing from Fees and charges for the issuance of functioning licenses and authorizations (+RON 887.2 th, +56.2%);
  - Decreasing of Revenues from the tax on property.
- **Total (autonomous) revenues** registered a higher level by RON 51,157 th (+25.6%) as a result of:
  - Tax revenues, increasing by RON 52,366.3 th (+26.9%), with influences mainly from Own tax revenues and Sums deducted from VAT (-RON 20,723.5 th, -44.7%);
  - Non-tax revenues, lower by RON 1,209.3 th (-22.4%), mainly due tot the decrease of the sums from Sales of goods and services (-RON 1,256.2 th, -24.9%).
- The **Operational revenues** collected in the analyzed interval are higher by RON 51,197.7 th (+25.6%), the evolution being determined by the increase of the Current revenues (+RON 51,157 th, +25.6%) and of the Current Subsidies (+RON 40.7 th, +36.7%).
- The **Investment revenues** registered a higher value by RON 3,642.7 th. These revenues are related to the Capital subsidies (+RON 3,546.4 th), respectively through the amounts related to financing of the National Program of Local Development.

## Table of contents Section III



### Section III: Budgetary expenditures (functional classification)

- The situation of the expenditures performed at 31.03.2020
- The variation of the performed expenditures at Q1 2020 vs. Q1 2019
- Budgetary provisions: the achievement degree of the expenditures at Q1 2020

# The situation of the expenditures performed

at 31.03.2020

'000 RON



		2020						2019*							
Line	Expenditures	Planned 2020	% /TP	Planned at Q1	% /TP	Rectified at Q1	% /TP	Execution at Q1	% /TP	Planned 2019	% /TP	Planned at Q1	% /TP	Execution at Q1	% /TP
<b>Functional classification</b>		<b>1,039,915.0</b>		<b>322,505.0</b>		<b>341,577.0</b>		<b>255,235.2</b>		<b>872,873.0</b>		<b>179,864.0</b>		<b>206,937.0</b>	
1	Public authorities and external actions	105,586.0	9.7	58,253.0	13.2	58,520.0	12.9	22,903.7	10.6	87,086.0	9.9	26,496.0	11.1	18,589.9	11.7
2	Transactions regarding the public debt (interest and fees)	31,870.0	2.9	8,152.0	1.8	8,152.0	1.8	7,796.7	3.6	30,501.0	3.5	5,192.0	2.2	5,190.5	3.3
3	Education	133,906.0	12.3	76,609.0	17.3	81,896.0	18.1	39,979.5	18.5	127,235.0	14.4	61,990.0	26.0	24,449.0	15.4
4	Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Culture, recreation and religion	97,631.0	9.0	41,014.0	9.3	41,059.0	9.1	24,474.2	11.3	102,178.0	11.6	18,036.0	7.6	16,407.9	10.4
6	Insurance and social assistance	221,623.0	20.4	85,436.0	19.3	89,306.0	19.7	61,192.4	28.3	205,000.0	23.2	74,725.0	31.3	48,377.9	30.6
7	Housing, public service and development	275,044.0	25.4	88,103.0	19.9	87,083.0	19.2	15,706.2	7.3	94,750.0	10.7	14,725.0	6.2	11,971.7	7.6
8	Environment protection	82,160.0	7.6	15,150.0	3.4	18,150.0	4.0	17,590.7	8.1	95,119.0	10.8	14,859.0	6.2	14,858.0	9.4
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	85,006.0	7.8	57,786.0	13.1	57,761.0	12.7	15,269.2	7.1	95,132.0	10.8	8,895.0	3.7	7,607.5	4.8
11	Other expenditures	52,072.0	4.8	11,704.0	2.6	11,398.0	2.5	10,934.9	5.1	45,600.0	5.2	13,589.0	5.7	10,887.1	6.9
12	Reserves, Surplus / Deficit	- 44,983.0		- 119,702.0		- 111,748.0		39,387.6		- 9,728.0		- 58,643.0		48,597.6	
<b>Economic classification</b>		<b>1,039,915.0</b>		<b>322,505.0</b>		<b>341,577.0</b>		<b>255,235.2</b>		<b>872,873.0</b>		<b>179,864.0</b>		<b>206,937.0</b>	
1	Staff costs, of which:	198,370.0	18.3	58,996.0	13.3	58,257.0	12.9	45,649.3	21.1	169,350.0	19.2	50,054.0	21.0	42,820.5	27.0
	without those for Education and Insurance and social assistance	67,247.0	6.2	18,590.0	4.2	18,207.0	4.0	14,738.7	6.8	58,375.0	6.6	16,204.0	6.8	13,913.9	8.8
2	Social assistance	59,343.0	5.5	20,980.0	4.7	21,038.0	4.6	17,606.5	8.2	58,631.0	6.6	19,973.0	8.4	14,801.0	9.3
3	Subsidies	5,000.0	0.5	2,000.0	0.5	2,000.0	0.4	1,050.0	0.5	5,000.0	0.6	2,475.0	1.0	848.1	0.5
4	Goods and services	302,302.0	27.9	130,640.0	29.5	144,463.0	31.9	89,880.3	41.6	307,606.0	34.9	100,798.0	42.3	62,041.4	39.2
5	Capital expenditures	304,992.0	28.1	174,903.0	39.6	173,903.0	38.4	18,778.7	8.7	173,960.0	19.7	20,495.0	8.6	8,524.2	5.4
6	Interest	31,870.0	2.9	8,152.0	1.8	8,152.0	1.8	7,796.7	3.6	30,501.0	3.5	5,192.0	2.2	5,190.5	3.3
7	Loan reimbursements	63,550.0	5.9	9,504.0	2.1	9,441.0	2.1	9,020.6	4.2	38,500.0	4.4	5,185.0	2.2	2,903.9	1.8
8	Current transfers	64,753.0	6.0	17,448.0	3.9	17,642.0	3.9	16,642.5	7.7	56,000.0	6.3	17,656.0	7.4	13,221.5	8.4
9	Internal transfers	23,000.0	2.1	5,750.0	1.3	4,672.0	1.0	4,670.5	2.2	12,624.0	1.4	3,156.0	1.3	-	-
10	Projects financed from non-reimbursable external funds	7,398.0	0.7	4,195.0	0.9	4,195.0	0.9	589.8	0.3	3,615.0	0.4	416.0	0.2	223.3	0.1
11	Other expenditures	24,320.0	2.2	9,639.0	2.2	9,562.0	2.1	4,162.7	1.9	26,814.0	3.0	13,107.0	5.5	7,765.1	4.9
12	Reserves, Surplus / Deficit	- 44,983.0		- 119,702.0		- 111,748.0		39,387.6		- 9,728.0		- 58,643.0		48,597.6	
<b>Total payments (TP)</b> <i>(total expenditures performed without considering the periods' result)</i>		<b>1,084,898.0</b>		<b>442,207.0</b>		<b>453,325.0</b>		<b>215,847.6</b>		<b>882,601.0</b>		<b>238,507.0</b>		<b>158,339.4</b>	
<b>Operational expenditures</b>		677,088.0	62.4	245,453.0	55.5	257,634.0	56.8	179,661.8	83.2	636,025.0	72.1	207,219.0	86.9	141,497.5	89.4
<b>Investment expenditures</b>		312,390.0	28.8	179,098.0	40.5	178,098.0	39.3	19,368.5	9.0	177,575.0	20.1	20,911.0	8.8	8,747.6	5.5
<b>Financial expenditures</b>		95,420.0	8.8	17,656.0	4.0	17,593.0	3.9	16,817.3	7.8	69,001.0	7.8	10,377.0	4.4	8,094.4	5.1
<b>Total of the Operating Section</b>		<b>772,508.0</b>	<b>71.2</b>	<b>263,109.0</b>	<b>59.5</b>	<b>275,227.0</b>	<b>60.7</b>	<b>196,479.0</b>	<b>91.0</b>	<b>705,026.0</b>	<b>79.9</b>	<b>217,596.0</b>	<b>91.2</b>	<b>149,591.9</b>	<b>94.5</b>
Reserves, surplus/deficit for the operating section		-		- 12,799.0		- 23,645.0		35,159.2		-		- 43,653.0		44,887.6	
<b>Total of the Development Section</b>		<b>312,390.0</b>	<b>28.8</b>	<b>179,098.0</b>	<b>40.5</b>	<b>178,098.0</b>	<b>39.3</b>	<b>19,368.5</b>	<b>9.0</b>	<b>177,575.0</b>	<b>20.1</b>	<b>20,911.0</b>	<b>8.8</b>	<b>8,747.6</b>	<b>5.5</b>
Reserves, surplus/deficit for the development section		- 44,983.0		- 106,903.0		- 88,103.0		4,228.4		- 9,728.0		- 14,990.0		3,710.0	

\*) The budget was not rectified at 31.03.2019;

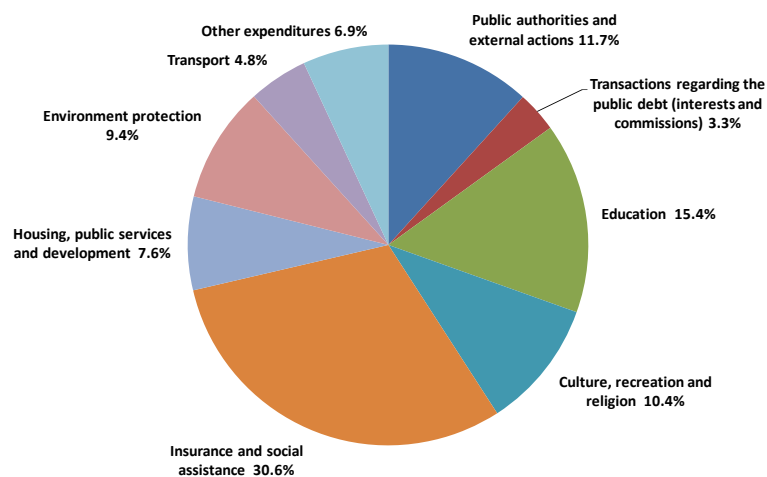
# The variation of the performed expenditures at Q1 2020 vs. Q1 2019

Functional classification

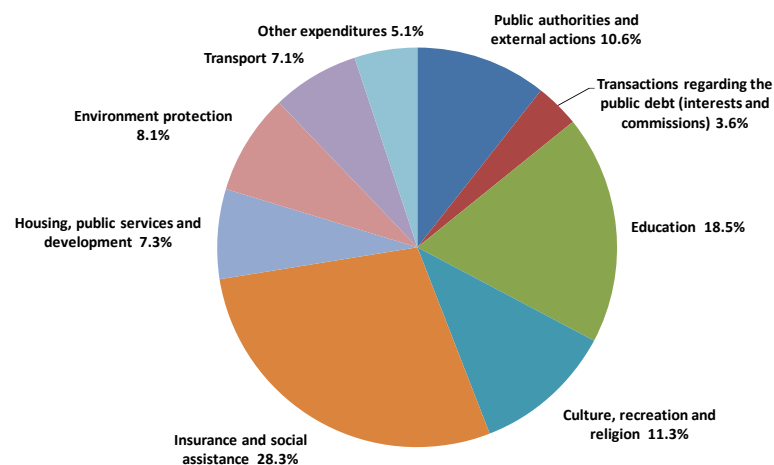
'000 RON



The structure of the payments performed at Q1 2019



The structure of the payments performed at Q1 2020



- The volume of payments made from the local budget as of Q1 2020 was by RON 57,508.1 th (+36.3%) above the level achieved in the similar period of the prior year.
- Thus, higher expenditures from the local budget are highlighted in the following chapters:
  - **Education**, registering payments by RON 15,530.6 th (+63.5%) above the previous level. Higher payments are recorded for Pre-school and elementary education (+RON 7,826.7 th, +70.7%), Other expenditures for education (amounting to RON 4,670.5 th, compared to their absence in the previous period; the amounts are entirely intended for the Financing of private or confessional accredited education), Secondary education (+RON 1,742.8 th, +18.4%) and School after school (+RON 1,430.9 th, +42.9%). From the economic perspective, increases are recorded for Capital expenditures (+RON 6,490.8 th), Goods and services (+RON 2,815.1 th, +16%), Scholarships (+RON 1,072.6 th, +43.5%) and Staff costs (+RON 839.8 th, +45.1%);
  - **Insurance and social assistance**, the payments being increased by RON 12,814.5 th (+26.5%), the influences coming from Other expenditures in the social assistance field (+RON 3,632 th, +27.1%), Social assistance for the disabled (+RON 3,041.4 th, +17.4%), Assistance for the elderly (+RON 2,388.7 th, +93.3%), Nurseries (+RON 1,589.5 th, +31.3%) and Social assistance for family and children (+RON 1,468.2 th, +18.8%). From an economic point of view, the dynamics is reflected at the level of expenditures on Other materials and services for maintenance and functioning (+RON 5,509.2 th) and Social support in cash (+RON 3,188.6 th);
  - **Culture, recreation and religion**, the payments increased by RON 8,066.4 th (+49.2%), and the dynamics determined by the increase of payments for Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 5,244.9 th, +34.5%) and Other services in the field of culture, recreation and religion (+RON 2,421.5 th, +200.5%). In the same time, were recorded payments for Religious services in amount of RON 400 th (entirely for Cults' support). From the economic perspective, a notable evolution is observed for Capital expenditures (+RON 2,981.4 th, +331.4%), Transfers to public institutions (+RON 2,421.5 th, +200.5%) and Goods and services (+RON 2,308 th, +19.8%);
  - **Transport**, the payments increased by RON 7,661.7 th (+100.7%), and the dynamics was determined by a higher level of expenditures for Streets. From the economic perspective, it can be noticed higher payments made for Capital expenditures (+RON 4,039.2 th, +225.5%) and for Goods and services (+RON 3,645.9 th, +67.4%);

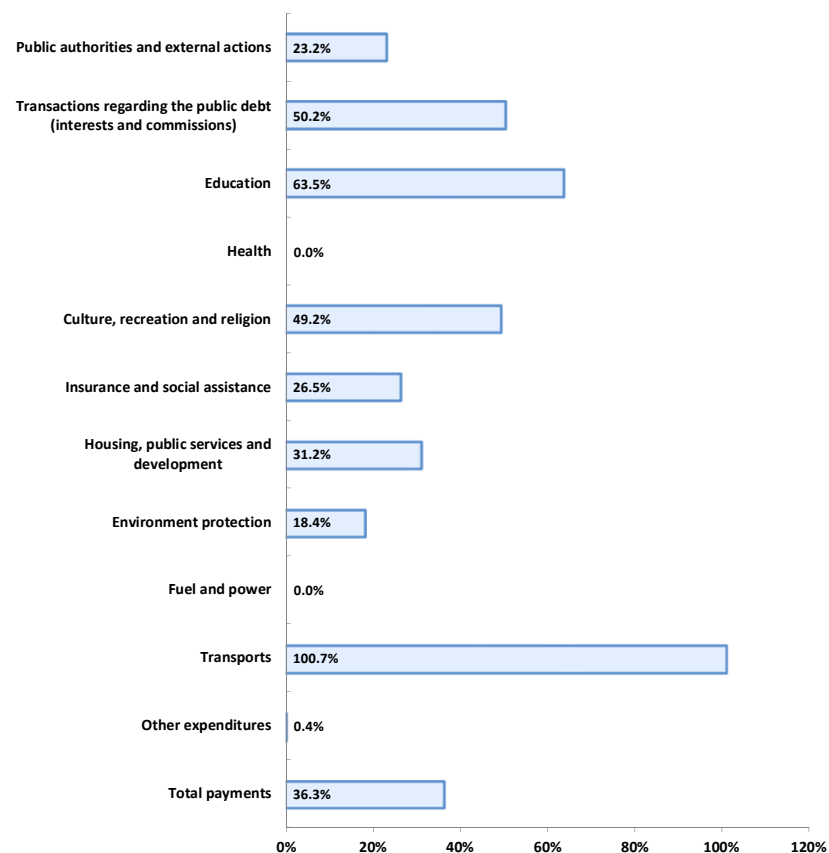
# The variation of the performed expenditures at Q1 2020 vs. Q1 2019

## Functional classification

'000 RON



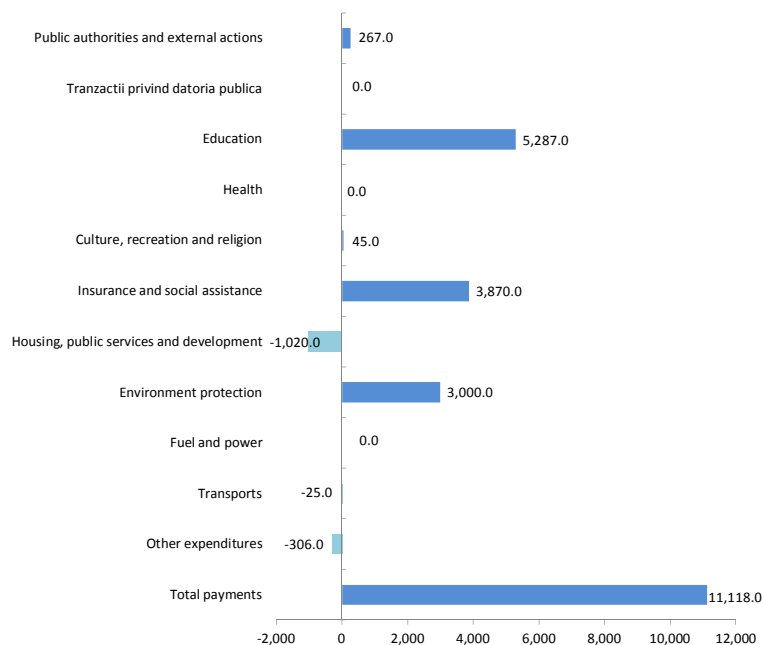
### Functional expenditures variation



- **Public authorities and external actions**, the expenditures incurred being higher by RON 4,313.9 th (+23.2%). Thus, there is an increase in payments for Goods and services (+RON 8,532 th, +236.5%) and a lack of those for Other loans (in amount of RON 4,990.1 th in the previous period);
- **Housing, public services and development**, the registered expenditures increasing by RON 3,734.5 th (+31.2%), mainly due to the increase of Other services for housing, public services and rural development (+RON 7,150.1 th, +103.1%) and the decrease of the Other expenditures in the housing system (-RON 3,450.7 th, -68.6%);
- **Environment protection**, the payments increasing by RON 2,732.7 th (+18.4%). The dynamics is determined by higher expenditures for Sanitation, respectively for Materials and services with functional character;
- **Transactions regarding the public debt and loans**, with an increase of RON 2,606.2 th (+50.2%) observed at the level of Interests, mainly those related to public internal debt (+RON 2,729 th, +68.4%), taking into consideration the withdraws made from investment loans in the analyzed interval and the evolution of interests on the banking market.



### Functional expenditures rectification, as compared to the initial budget



- The last budgetary rectification from the first three months of the year provides for an increase of payments by RON 11,118 th (+2.5%) compared to the initial budget for the reference period, respectively up to the total of RON 453,325 th.
- The following chapters are affected by the increase of the budgetary provisions:
  - **Education**, with an increase in estimates by RON 5,287 th (+6.9%), up to RON 81,896 th, influences coming from Secondary education (+RON 2,722 th, +11.9%), Pre-school and elementary education (+RON 1,665 th, +4.2%), School after school (+RON 1,430.9 th, +19.1%), Special education (+RON 560 th, +52.8%) and Other expenditures for education (-RON 1,078 th, -18.7%, entirely for the Financing of private or confessional accredited education). From the point of view of economic classification, it can be observed a larger amount of provisions for Goods and services (+RON 6,303 th, +19%) and Scholarships (+RON 360 th, +4.4%), whereas decreases are to be found for Staff costs (-RON 356 th, -8.1%)
    - The planned investment expenses related to the Education chapter are in amount of RON 25,994 th from the local budget, the most significant being Ongoing works (RON 11,124 th for Design and execution of the Kindergarten „Albina”), New works (RON 6,522 th for Energy Efficiency in schools) and Other investment expenditures (RON 8,028 th).

- **Insurance and social assistance**, recording a higher level of estimates by RON 3,870 th (+4.5%), up to RON 89,306 th. The influences are coming from Other expenditures in the social assistance field (+RON 3,000 th, +11.8%), Assistance for the elderly (+RON 480 th, +6.9%) and Nurseries (+RON 390 th, +3.7%). The dynamics is determined, from the point of view of the functional classification, at the level of payments for Goods and services;
  - Insurance and social assistance chapter has funds allocated from the local budget for 2020 in the amount of RON 3,678 th, of which RON 1,000 th for New works – Construction of the nursery „Ingerasii” and Landscaping and playground construction works for three nurseries, the rest of the budget being for Other investment expenditures (mainly independent endowments).
- **Environment protection**, with an increase of initial provisions by RON 3,000 th (+19.8%), entirely for Sanitation, respectively for Materials and services with functional character;
- **Housing, public services and development**, with a decrease of RON 1,020 th, down RON 87,083 th. The influences are coming mainly from the payments for the Development of the housing system, respectively reflected in the Capital expenditures.
  - Within the Housing, public services and development chapter, the investment objectives were planned as follows: in amount of RON 189,157 th from the local budget, the main objectives being: New works – Thermal rehabilitation of multi-storey buildings District 6, including consultancy – RON 177,844 th from the local budget, Technical Project+Execution Social housing blocks Alexandru Ivasiuc Street, including consultancy – RON 8,000 th; other investment expenditures – expenditures for the elaboration of prefeasibility studies, feasibility, projects and other studies related to the investment objectives (RON 2,771 th from the local budget).

## Budgetary provisions

### Functional classification

'000 RON



#### Functional expenditures rectification, as compared to the initial budget

- For the **Transport** chapter, investment expenditures in amount of RON 46,281 th were provided from the local budget, of which RON 21,521 RON will be allocated for ongoing works (rehabilitation and modernization of road systems), RON 23,770 th for New works (Design and execution of repair works for modernization of road systems) and other investment expenditures - Expenditures for the elaboration of the feasibility studies, feasibility, projects – RON 990 th;
- For **Culture, recreation and religion** investment expenditures in amount of RON 20,190 th were planned from the local budget as follows: Ongoing works – RON 14,866 th (mainly for consolidation, extension and modernization for Favorit cinema); New works – RON 3,950 th (arrangement works for Giulesti cinema and other construction and arrangement works); Other investment expenditures (RON 1,374 th);
- For **Public authorities and external actions** investment expenditures in amount of RON 20,827 th were planned from the local budget: ongoing works - modernization works "Sfanta Treime" High School (RON 5,940 th from the local budget); other investment expenditures - Land acquisition Prelungirea Ghencea (RON 10,000 th and Dealul Tugulea Street (RON 1,550 th), as well as independent facilities (RON 1,620 th).





### The achievement degree, as compared to the final provisions of the period

- The payments in the first three months of the current year are in amount of RON 215,847.6 th, respectively by RON 237,477.4 th below the level of the budgetary provisions for this period (recording an execution degree of 47.6%).
- For **Housing, services and public development** chapter, the payments are by RON 71,376.8 th below the budget, recording an execution degree of 18%. Thus, it can be noticed the execution of Other expenditures in the housing system (-RON 62,076 th, -97.5%), Development of housing system (-RON 7,471.9 th, -99.5%) and Other services for housing, public services and rural development (-RON 1,773.9 th, -11.2%). From the economic perspective, the variation is related to Capital expenditures (-RON 69,055.1 th, -97.8%), Projects financing from non-refundable external funds, related to the 2014-2020 financial framework (-RON 959.7 th, -83%), Reimbursements of credits regarding the local internal public debts (-RON 483.4 th, -5.1%), Goods and services (-RON 416.4 th, -28.9%) and Staff costs (-RON 205.4 th, -10.5%).
- The payments made within the **Transport** chapter are by RON 42,491.8 th below the estimated level, respectively an execution degree of 26.4% determined by lower expenditures for Streets, respectively Capital expenditures (-RON 37,458.4 th, -86.5%) and Goods and services (-RON 4,923.4 th, -35.2%).
- At the level of **Education** chapter, the payments are by RON 41,916.5 th below the level of the estimations, respectively recording an execution degree of 48.8% determined by lower expenditures for Pre-school and elementary education (-RON 22,274.8 th, -54.1%), Secondary education (-RON 14,316.5 th, -56.1%), School after school (-RON 4,098.4 th, -46.3%) and Special education (-RON 1,169.4 th, -72.2%). From the point of view of economic classification, can be noticed the execution of the payments made for Goods and services (-RON 19,138.1 th, -48.4%), Capital expenditures (-RON 15,239.8 th, -68.8%), Scholarships (-RON 4,973.4 th, -58.4%), Staff costs (-RON 1,353.9 th, -33.4%) and Social assistance (-RON 1,188.5 th, -42.6%).
- The payments for the **Public authorities and external actions** chapter are by RON 35,616.3 th below the budgetary provisions, recording an execution degree of 39.1%. Thus, the largest deviations from the provisions are recorded mainly at the level of Capital expenditures (-RON 19,136.2 th, -97.7%), the payments for Goods and services (-RON 10,793.7 th, -47.1%), Staff costs (-RON 2,809.4 th, -21.9%) and Projects financing from non-refundable external funds, related to the 2014-2020 financial framework (-RON 2,568.8 th, -95.8%).
- The payments recorded for **Insurance and social assistance** chapter are by RON 28,113.6 th below the level of the budget, with an execution degree of 68.5%. Thus, a lower execution can be noticed at the level of the Social assistance for family and children (-RON 5,976.5 th, -39.1%), Nurseries (-RON 4,271.6 th, -39.1%), Social assistance for the disabled (-RON 3,220.6 th, -13.6%) and Assistance for the elderly (-RON 2,476.4 th, -33.4%). From the point of view of economic classification, the evolution of payments is noticeable for Goods and services (-RON 15,357.th, -49.5%), Staff costs (-RON 7,785.6 th, -21.6%), Social assistance (-RON 2,243 th, -12.3%), Capital expenditures (-RON 1,730 th, -91.5%) and Other subsidies (-RON 950 th, -47.5%).
- Within the **Culture, recreation and religion** chapter payments are by RON 6,584.8 th below the budgetary provisions, respectively related to an execution degree of 59.6% determined by expenditures on Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 16,252.8 th, -44.3%) and for Other services in the field of culture, recreation and religion (-RON 332 th, -8.4%, entirely Transfers to public institutions). From the point of view of economic classification, the execution is noticeable for Capital expenditures (-RON 12,354.8 th, -76.1%) and for the payments for Goods and services (-RON 3,494.9 th, -20%).



### Section III: Budgetary expenditures (economic classification)

- The variation of the performed expenditures at Q1 2020 vs. Q1 2019
- Budgetary provisions: the achievement degree of the expenditures at Q1 2020
- Expenditures ratios

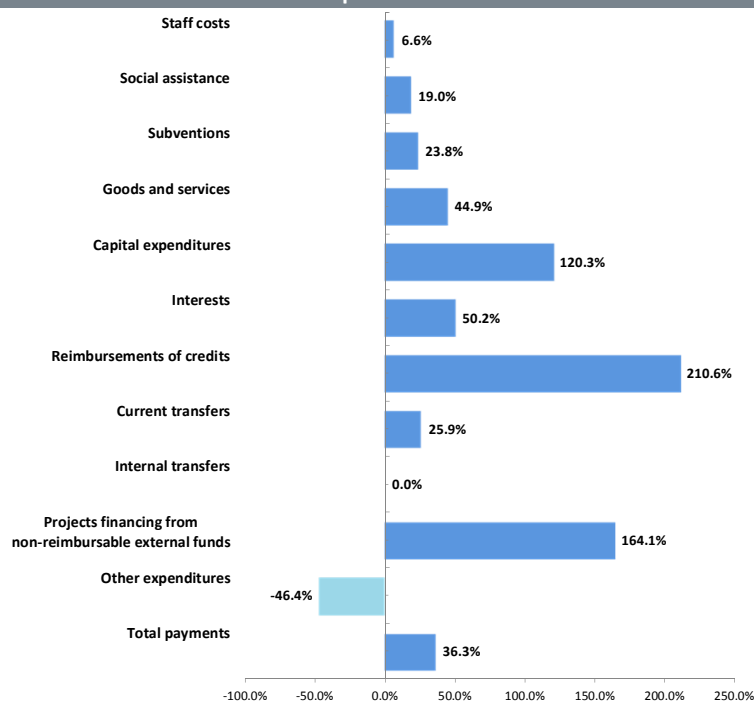
# The variation of the performed expenditures at Q1 2020 vs. Q1 2019

Economic classification

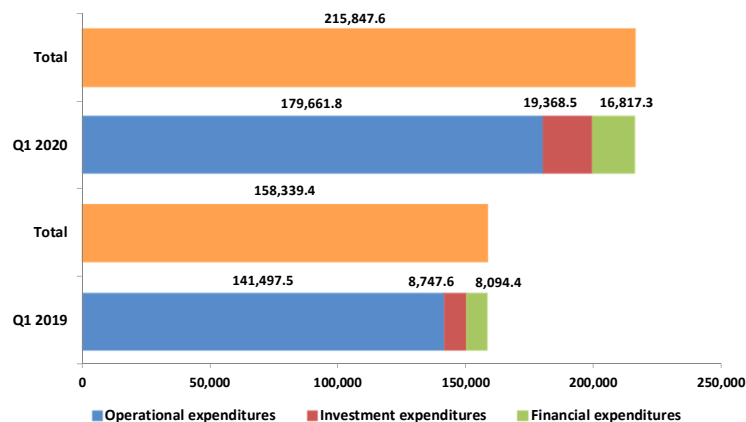
'000 RON



## Economic expenditures variation



## Structure of expenditures



- At the end of the reference period of the current year, the **Operational expenditures** went up by RON 38,164.3 th (+27%) against the ones of the similar period of the previous year, as a result of:
  - A higher level of payments for **Goods and services** by RON 27,838.9 th (+44.9%). The evolution is highlighted mainly at the level of payments for Other materials and services for maintenance and functioning (+RON 9,761.6 th, +44.6%), Current repairs (+RON 7,292.2 th, +85.8%), Materials and services with functional character (+RON 2,951.6 th, +17.3%), Heating, lighting and driving force (+RON 2,847.3 th, +57.1%), Consultancy and expertise (+RON 1,881.3 th), Other expenditures (+RON 968.2 th, +70.7%) and Registered materials (+RON 777.3 th, +37.7%);
  - Registration of **Internal transfers** in amount of RON 4,670.5 th, entirely for the Financing of private or confessional accredited education within the Education chapter;
  - Increasing of **Current transfers** by RON 3,421 th (+25.9%), respectively Transfers to public institutions within the chapters Culture, recreation and religion and Housing, public services and development;
  - Increasing of **Staff costs** by RON 2,828.8 th (+6.6%), mainly at the level of the Payments in cash (+RON 2,767.4 th, +6.6%, with influences on Allowances for food, Fund for payments by the hour, Other remuneration rights paid in cash and Base salary);
  - A higher level of payments for **Social assistance** by RON 2,805.5 th (+19%), determined by the Social support in cash (+RON 3,227.3 th, +27.1%) mainly within the Insurance and social assistance chapter and by the Social support in kind (-RON 421.9 th, -14.5%) mainly within the Education chapter;
  - Decreasing **Other expenditures** by RON 3,602.4 th (-46.4%) determined by the lack of the payments for Other loans (in amount of RON 4,990.1 th in the previous period), while there is an increase for Scholarships (+RON 1,072.6 th, +43.5%) and sums for Cults' support (reaching the value of RON 400 th).
- The **Investment expenditures** went up by RON 10,621 th (+121.4%) higher than the execution from the similar period of the previous year. Thus, these payments are represented by:
  - Capital expenditures** (+RON 10,254.5 th, +120.3%), with influences from the payments on Constructions (+RON 11,890.6 th, +293.3%), Furniture, office equipment and other tangible assets (+RON 523.7 th, +280.7%) si Other fixed assets (-RON 2,049.1 th, -52.4%);
  - Projects financed from non-reimbursable external funds** (+RON 366.5 th, +164.1%), respectively by recording payments amounting to RON 196.3 th at the level of the Programs from European Fund for Regional Development and the increasing of those from European Social Fund (+RON 92.1 th, +75.9%) and Other community programs financed in the period of 2014 – 2020 (+RON 78.1 th, +76.7%).
- The **Financial expenditures** went up by RON 8,722.9 th (+107.8%) as compared to the first three months of the previous year. The dynamics is determined by the following types of payments: Reimbursements of loans (+RON 6,116.7 th, +210.6%, entirely for the intern debt); Interests (+RON 2,606.th, +50.2%).

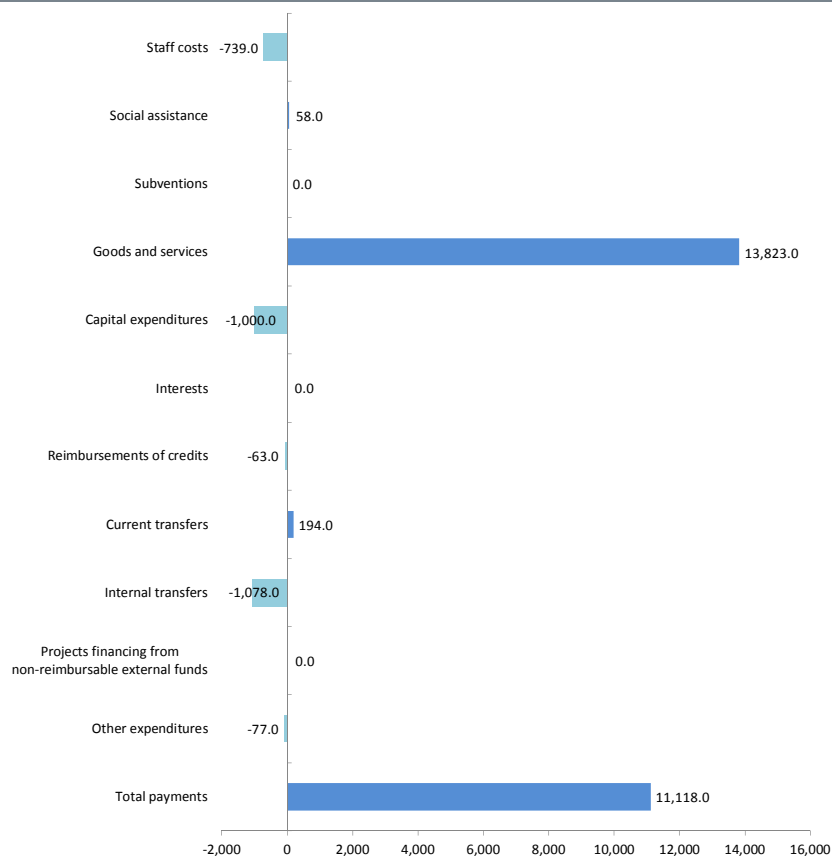
# Budgetary provisions

## Economic classification

'000 RON



### Economic expenditures rectification, compared to initial budget



- From the point of view of economic classification, the budget of the institution had a positive rectification, in the means of increasing the provisions up to RON 453,325 th, respectively by 2.5%.
- The **Operational expenditures** had its provisions increased by RON 12,181 th (+5%), up to the total of RON 257,634 th, with influences from the following titles:
  - **Goods and services**, the provisions being increased by RON 13,823 th (+10.6%), up to RON 144,463 th, mainly at the level of Other materials and services for maintenance and functioning (+RON 5,718 th, +13.9%), Materials and services with functional character (+RON 3,090 th, +15.2%), Cleaning materials (+RON 1.610 th, +68.3%) and Food for people (+RON 1,421 th, +82.1%);
  - **Internal transfers**, with decreasing provisions by RON 1,078 th (-18.7%), down to RON 4,672 th, entirely at the level of the Financing of private or confessional accredited education within the Education chapter;
  - **Staff costs**, the provisions of the final budget being decreased by RON 739 th (-1.3%), down to RON 58,257 th, with influences from the Fund for payments by the hour (-RON 370 th, -9.3%), Base salaries (-RON 273 th, -0.6%), Other remuneration rights paid in cash (-RON 50 th, -7.4%) and Contributions (-RON 48 th, -3.3%).
- The **Investment expenditures** had its provisions decreased by RON 1,000 th (-0.6%), down to the level of RON 178,098 th, respectively at the level of Capital expenditures/Constructions within the Housing, public services and development chapter.



### The achievement degree, as compared to the final provisions of the period

- The payments made during the first three months of the current year have an execution degree of 47.6% as compared to the budgetary provisions. The dynamics of the main groups is impacted from an economic point of view as follows:
  - The **Operational expenditures** are by RON 77,972.2 th below the provisions, with an execution degree of 69.7%. Lower expenditures compared to the provisions are reflected for the following titles:
    - **Goods and services**, the expenditures being by RON 54,582.7 th (-37.8%) below the estimated amount. The dynamics is reflected mainly at the level of the payments for Current repairs (-RON 20,346.9 th, -56.3%), Other materials and services for maintenance and functioning (-RON 15,118.5 th, -32.3%), Materials and services with functional character (-RON 3,381.4 th, -14.5%), Heating, lighting and driving force (-RON 2,794.8 th, -26.3%), Cleaning materials (-RON 2,689.5 th, -67.8%), Registered materials (-RON 2,034.8 th, -41.7%), Desk furniture (-RON 1,778.4 th, -68.2%) and Water, sewerage and sanitation (-RON 1,641 th, -59.2%);
    - **Staff costs**, recording a level by RON 12,607.7 th (-21.6%) below the provisions, the dynamics being determined by the Payments in cash (-RON 11,694.6 th, -20.7%), in nature (absent in the current period and in the amount of RON 476 th in the previous period) and Contributions (-RON 437.1 th, -30.8%);
    - **Other expenditures**, with an execution below the provisions by RON 5,399.3 th (-56.5%) and influences from the Scholarships (-RON 4,973.4 th, -58.4%) and Science and social-cultural actions (-RON 145.3 th, -48.4%);
    - **Social assistance**, the recorded payments being by RON 3,431.5 th (-16.3%) below the level of the budget due to a lower level of the Social support in cash (-RON 2,263.2 th, -13%) and Social support in kind (-RON 1,168.3 th, -32%) within the chapters Education and Insurance and social assistance;
    - **Current transfers**, being by RON 999.5 th (-5.7%) below the estimated level from the budget, respectively at the level of those to public institutions;
    - **Subsidies**, the recorded sums being by RON 950 th (-47.5%) below the provided level, respectively for Other subsidies.
  - The **Investment expenditures** record a level by RON 158,729.5 th (execution degree of 10.9%) below the estimates and are distributed as follows:
    - The **Capital expenditures** stand by RON 155,124.3 th below the estimated level, the main variation coming from the payments for Constructions (-RON 130,356.7 th, -89.1%), Other fixed assets (-RON 17,559.5 th, -90.4%), Machines, equipment and means of conveyance (-RON 5,872.3 th, -95.7%) and Furniture, office equipment and other tangible assets (-RON 1,328.8 th, -65.2%);
    - **Projects financed from non-reimbursable external funds** with lower payments at the end of the reference period, respectively an execution degree of 14.1%, in the budget being estimated expenditures in amount of RON 4,195 th.
  - The **Financial expenditures** are by RON 775.7 th (execution degree of 95.6%) below the estimated level, the influences coming from the payments for Loans reimbursements (-RON 420.4 th, -4.5%) and Interests (-RON 355.3 th, -4.4%).

## Expenditures ratios at Q1 2020, as compared to Q1 2019

'000 RON



Ratios	Q1 2020	Q1 2019
<b>Total staff costs</b>	<b>45,649.3</b>	<b>42,820.5</b>
Expenditures per Capita	115.8 RON	109.5 RON
The expenditure weight in the operational expenditures	25.4%	30.3%
<b>Staff costs for insurance and social assistance</b>	<b>28,208.4</b>	<b>27,044.3</b>
Expenditures per Capita	71.6 RON	69.2 RON
The expenditure weight in the operational expenditures	15.7%	19.1%
<b>Current compulsory expenditures</b>	<b>63,255.7</b>	<b>57,621.4</b>
Expenditures per Capita	160.5 RON	147.4 RON
The expenditure weight in the operational expenditures	35.2%	40.7%
<b>Operational expenditures</b>	<b>179,661.8</b>	<b>141,497.5</b>
Expenditures per Capita	455.9 RON	361.8 RON
The expenditure weight in the total expenditures	83.2%	89.4%
<b>Expenditures on debt service financing</b>	<b>16,817.3</b>	<b>8,094.4</b>
Expenditures per Capita	42.7 RON	20.7 RON
The expenditure weight in the total expenditures	7.8%	5.1%
<b>Total investment expenditures</b>	<b>19,368.5</b>	<b>8,747.6</b>
Expenditures per Capita	49.1 RON	22.4 RON
The expenditure weight in the total expenditures	9.0%	5.5%
<b>The expenditures' rigidity</b>	<b>21.1%</b>	<b>27.0%</b>
<b>The weight of the payments from the operating section in the total payments</b>	<b>91.0%</b>	<b>94.5%</b>
<b>The weight of the payments from the development section in the total payments</b>	<b>9.0%</b>	<b>5.5%</b>
<b>The deficit/surplus of the operating section</b>	<b>35,159.2</b>	<b>44,887.6</b>
<b>The deficit/surplus of the development section</b>	<b>4,228.4</b>	<b>3,710.0</b>
<b>The weight of the local public debt service in the total made payments</b>	<b>7.8%</b>	<b>5.1%</b>
<b>Maximum annual debt</b>	<b>171,183.5</b>	<b>148,761.5</b>
Net direct debt	<b>82,486.3</b>	<b>86,920.6</b>
Direct indebtedness level	15.5%	12.5%
Net public debt	<b>76,719.5</b>	<b>84,624.6</b>
Public indebtedness level	16.6%	12.9%
<b>The total expenditures achievement degree from the initial budget</b>	<b>48.8%</b>	<b>66.4%</b>
The achievement degree from the initial budget of the:		
Operational expenditures	73.2%	68.3%
Staff costs	77.4%	85.5%
Current compulsory expenditures	79.1%	82.3%
Expenditures on debt service financing	95.2%	78.0%
Investment expenditures	10.8%	41.8%
<b>The funds absorption level of the total expenditures</b>	<b>84.6%</b>	<b>76.5%</b>
Investment expenditures / Operational revenues	7.5%	4.3%
Capita, as of:	<b>394,097</b> 1/1/2019	<b>391,050</b> 1/1/2018

- The **Total staff costs** during the first three months of 2020 went up by RON 2,828.8 th (+6.6%), compared with the similar period of the previous year, the dynamics being influenced mainly by the Allowances for food (+RON 2,026.7 th), Fund for payments by the hour (+RON 803.5 th, +47%), Other remuneration rights paid in cash (+RON 352.8 th, +181.2%) and Base salaries (-RON 437.2 mii RON, -1.1%).
- **Current compulsory expenses** are going up by RON 5,634.3 th (+9.8%), as compared with the level reached at Q1 2019, following:
  - The increase of the payments for Social assistance (+RON 2,805.5 th, +19%);
  - The increase of Staff costs.
- **Operational expenditures** went up by RON 38,164.3 th (+27%) above the execution of the similar period of the previous year, the evolution being determined by:
  - The increase of the payments for Goods and services by RON 27,838.9 th (+44.9%);
  - Registering of Internal transfers in amount of RON 4,670.5 th;
  - Current transfers by RON 3,421 th (+25.9%) above the previous level;
  - Higher Staff costs;
  - The increase of the payments for Social assistance;
  - The decrease of Other expenditures by RON 3,602.4 th (-46.4%).
- **Expenditures on debt service financing** are going up by RON 8,722.9 th (+107.8%), as compared to the level recorded in the previous reference period, taking into consideration the increase of the payments for Loans reimbursements (+RON 6,116.7 th, +210.6%) and Interests (+RON 2,606.2 th, +50.2%).
- **Total expenditures on investments** during the first three months of the current year are in amount of RON 19,368.5 th, representing mainly Capital expenditures (+RON 10,254.5 th, +120.3%) and Projects financed from non-reimbursable external funds (+RON 366.5 th, +164.1%).

## Table of contents Part IV



### Section IV

- Balance Sheet
- Local Public Debt Service

# Balance Sheet

at 31.03.2020

'000 RON



Balance sheet	3/31/2019	12/31/2019	3/31/2020
<b>Current assets</b>	<b>766,466.9</b>	<b>1,025,318.6</b>	<b>879,374.1</b>
Cash and cash equivalent	209,376.1	212,445.4	220,373.2
Inventories	98,091.4	105,354.7	108,651.2
Receivables	458,998.3	707,517.1	550,348.6
Short term investments	-	-	-
Other current assets	1.1	1.4	1.1
<b>Fixed assets</b>	<b>7,170,168.5</b>	<b>7,932,824.4</b>	<b>8,054,690.7</b>
Intangible assets	4,444.2	5,210.5	4,473.9
Tangible assets	7,160,638.4	7,922,702.7	8,044,903.5
Other fixed assets	5,086.0	4,911.2	5,313.2
<b>Total assets</b>	<b>7,936,635.4</b>	<b>8,958,143.0</b>	<b>8,934,064.8</b>
<b>Current liabilities</b>	<b>108,900.3</b>	<b>433,427.3</b>	<b>92,703.0</b>
ST borrowings and CP of LT debt	7,387.1	-	1,362.5
Accounts payable	69,331.1	395,639.8	61,524.5
Short term provisions	309.0	30.5	30.5
Other short term debts	31,873.1	37,757.1	29,785.5
<b>Long term debts</b>	<b>772,898.7</b>	<b>1,065,205.9</b>	<b>1,123,805.3</b>
Long term loans	771,976.2	1,049,033.8	1,074,586.5
Other long term debts	159.6	15,981.0	49,027.6
Provisions	763.0	191.1	191.1
<b>Equity and reserves</b>	<b>7,054,836.4</b>	<b>7,459,509.7</b>	<b>7,717,556.5</b>
<b>Total liabilities</b>	<b>7,936,635.4</b>	<b>8,958,143.0</b>	<b>8,934,064.8</b>
Current liquidity ratio (Current assets / Current liabilities)	7.0	2.4	9.5
Indebtedness level (Borrowed capital / Total liabilities)	9.7	11.7	12.0

- At the end of the reporting period, **Total assets** are going down by RON 24,078.2 th (-0.3%) compared with the level recorded at the end of 2019, due to a decrease of Current assets (-RON 145,944.4 th, -14.2%) and the increase of Fixed assets (+RON 121,866.3 th, +1.5%).
- Within the **Current assets**, the decrease is determined mainly by a lower level of Receivables (-RON 157,168.5 th, -22.2%), while Cash and cash equivalents are increasing (+RON 7,927.8 th, +3.7%) together with the Inventories (+RON 3,296.5 th, +3.1%).
- The increase of **Fixed assets** is determined mainly by a higher level of Tangible assets (+RON 122,200.8 th, +1.5%).
- At the end of the first three months of the current year, the balance of **Short-term liabilities** is decreasing by RON 340,724.3 th (-78.6%), especially at the level of the Commercial debts and Other liabilities.
- The **Long-term liabilities** are increasing at the end of the reporting period (+RON 58,599.4 th, +5.5%), taking into consideration a higher balance of Other long-term liabilities (+RON 33,046.7 th, +206.8%) and Debt to banks (+RON 25,552.7 th, +2.4%).
- Equity** increased by RON 258,046.8 th (+3.5%).
- The **Current liquidity ratio** is of 9.5 at the end of the first quarter of 2020, compared to 2.4 at the end of 2019, due to a sharp decrease of the Short-term liabilities (-78.6%), in contrast with the decrease of the Current assets (-14.2%).



# Local Public Debt Service at 31.03.2020

'000 RON



Debt and liquidity	3/31/2020	Payout	3/31/2020
New credit withdrawals in the period	20,666.4	Payout 2Y - 2 years	211,731.4
Direct debt service	14,726.0	Payout 5Y - 5 years	618,763.8
Direct indebtedness rate	2.6%	Payout 10Y - 10 years	1,245,559.8
Public debt service	15,607.4	Payout 15Y - 15 years	1,437,630.6
Public indebtedness rate	2.7%	Payout 20Y - 20 years	1,533,569.4
Public Debt Service as % of Operational Revenues	6.2%	Total revenues per capita	647.6 RON
Public Debt Service as % of Operational Expenditures	8.7%	Own revenues per capita	572.8 RON
Long term debt % Own Funds	13.9%	Public Debt Service per capita	39.6 RON
Long term debt / Own Revenues (1.x)	4.8	Long-term loans per capita	2,726.7 RON

	2019 <sup>1)</sup>	2020 <sup>2)</sup>	2021 <sup>3)</sup>	2022 <sup>3)</sup>	2023 <sup>3)</sup>
Total revenues	858,987.9	1,055,435.0	1,065,989.4	1,076,649.2	1,087,415.7
Own revenues <sup>4)</sup>	696,146.6	837,637.0	846,013.4	854,473.5	863,018.2
Indebtedness capacity	148,761.5	171,183.5	205,358.0	237,979.7	253,812.4
Public debt service <sup>5)</sup>	61,105.5	93,859.1	109,451.1	132,155.0	133,617.1

1) Revenues collected as of 31.12.2019

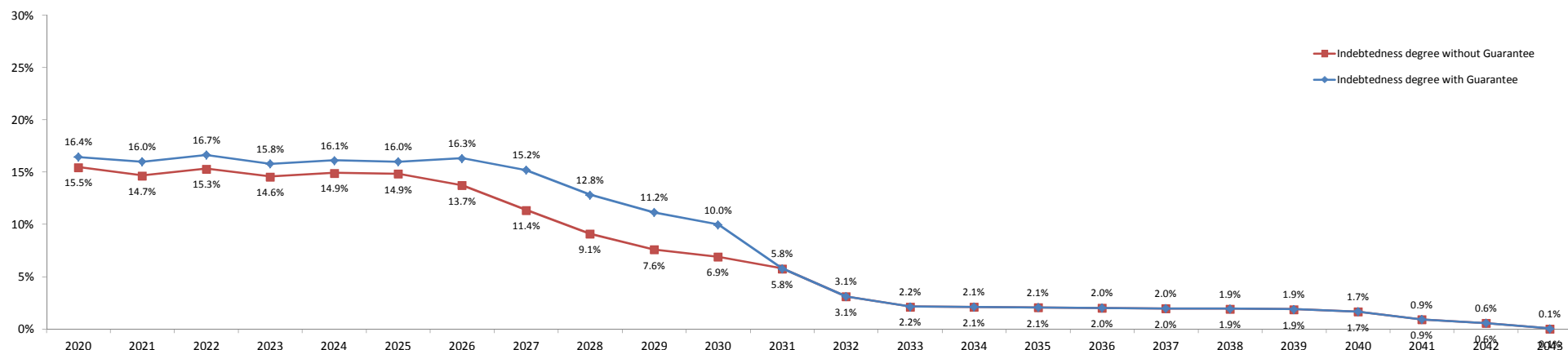
2) Revenues planned in the budget for 2020

3) Forecasts, revenues growth rate of 1% computed annually

4) As per maximum indebtedness level formula, namely: Own revenues - (Other voluntary transfers + revenues from the sale of goods from the private domain + cash in of loan reimbursements)

5) TUD estimated values for the period of 2020 - 2023, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 31.03.2020

## Indebtedness level forecasted for the period of 2020 - 2043



- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 31.03.2020, the estimated withdraws from the signed financing contracts and the growth rate of own revenues of 1%.
- According to the UGO nr. 46 on 05/23/2007, to complete art. 63 of the Law no. 273/2006 regarding the local public finances, "the loans contracted and/or guaranteed by the territorial-administrative units for providing the pre-financing and/or co-financing of the projects that benefit of the external non-reimbursable funds of pre and post-accession, from the European Union, are excepted from the paragraph (4) provisions" - respectively the framing in the maximum indebtedness limit
- The maximum indebtedness limit represents 30% of the arithmetic mean of the own revenues for the last three years prior to current period (computed as per maximum indebtedness level formula).

# Glossary of terms



<b>The operating section</b>	The basic compulsory local budget section, which includes revenues needed to finance current spending in order to achieve competencies established by law, and the related running costs;
<b>The development section</b>	The complementary section of the local budget, including income and capital expenditures related to implementation of the local development policies;
<b>Own revenues*</b>	The average of the Own revenues collected in the last 3 years (Own revenues as stipulated in the art. 5, indent (1) a) Law no. 273/2006 regarding the local public finance, including subsequent amendments and additions, out of which are subtracted the Revenues from goods capitalization stipulated in the art. 29 part of the mentioned law);
<b>Operational revenues</b>	The difference between Total revenues, Investment revenues and Financial Revenues OR The Sum of Current Revenues (00.02) and Current Subsidies (00.20);
<b>Operational Expenditures</b>	Sum of Staff Cost (10), Goods and services (20), excluding Commissions and other costs related to debts (20.24), Subsidies (40), Reserve funds (50), Transfers (51+55, without investments), Social Assistance (57), Other Expenditures (59), Previous years payments recovered during the current year (85.01) OR; The difference between Total Expenditures, Investment Expenditures and Financial Expenditures, excluding Surplus / Deficit;
<b>Investment revenues</b>	Sum between Capital revenues (00.15), Capital Subsidies received from the State Budget (00.19), Sums received from the EU for the payments performed 2007 - 2013 (45.02) and 2014 - 2020 (48.02), Tax for the thermal rehabilitation (36.02.23), Contribution of the Owners' Association for the thermal rehabilitation works (36.02.31) and Sums related to the budgetary financing of the previous years, from the development section (36.02.32.02);
<b>Investment expenditures</b>	Sum of the Capital expenditures (70), of the Projects financed from post-accession non-reimbursable external funds 2007 - 2013 (56), of the Projects financed from post-accession non-
<b>Total payments made</b>	Total expenditures incurred without considering the result of the period;
<b>Taxes supporting the debt</b>	City taxes collected as follows: 01.02.01+03.02.18+04.02.01+05.02.50+06.02.02+07.02+12.02+15.02+16.02+18.02+33.02.24+34.02+35.02;
<b>Financial Expenditures</b>	The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans; In accordance to the Ministry of Finance order no. 231646/06.09.2009 previous years payments returned during the current year are reported negatively for 85.01 and are not used for payments;
<b>Returned funds from previous years</b>	These are invalidated by increasing the budgetary loans for each economic expenditure; The ratios are presented on the budgetary execution, stipulated in the Emergency Ordinance no. 63 dated 30.06.2010, whose method of calculation is covered in the Methodology of 11/03/2010;
<b>Revenues and expenditures ratios</b>	
<b>The revenues/expenditures achievement degree from the initial/revised budget</b>	Collected revenues % of the initial/revised budgetary provisions; Incurred expenditures % of the initial/revised budgetary provisions;
<b>The level of financing from the own</b>	Own revenues % in Total revenues;
<b>The degree of self-financing</b>	(Own revenues-Quotas deducted from the income tax (04.02.01)) % Total collected revenues;
<b>The degree of dependency of the local budget to the state budget</b>	The total amounts received from the State Budget (Sums allocated from the quotas deducted from income tax to balance the local budgets 04.02.04 + Sums deducted from VAT 11.02 + Subsidies received from the State Budget 00.18) % in Total revenues;
<b>The degree of decisional autonomy</b>	(Own revenues + Sums deducted from VAT for balancing the local budget 11.02.06) % in Total revenues;
<b>The expenditures' rigidity</b>	Staff costs % in Total incurred expenditures;
<b>Maximum annual debt</b>	The maximum legal amount allowed for municipal indebtedness, equal to 30% of the average of the own revenues executed in the last 3 years. Represents the maximum of Public Debt Service, according to Government Decision 145/2008;
<b>Net direct debt</b>	Total of amounts representing interests, provisions and installments, according to contracted to be paid by the end of The year, by the municipality;
<b>Net public debt</b>	Total of amounts representing interests, provisions and installments, according to contracted and guaranteed to be paid by the end of The year, by the municipality;
<b>Direct/Public indebtedness level</b>	Direct/Public Debt Service as % of Own revenues*;
<b>Net Direct/ Public indebtedness level</b>	Net public/direct debt as % of Own revenues*;
<b>Direct debt service</b>	Total amounts to be paid by the city hall as capital repayments, interests and fees for ongoing credit contracts;
<b>Public debt service</b>	Current debt service+amounts related to the granted guarantees (interests, commissions and principal);
<b>Payout n Y - n years</b>	Public debt service for the next "n" years, according to the contractual conditions for the credit facilities and the evolution of ROBID, ROBOR, EURIBOR at 31.03.2020;
<b>Current financial debt</b>	Total drawdowns related to the credit facilities for the analysed period;
<b>Per Capita</b>	For a person that is resident of the municipality; Resident inhabitants as of 1 <sup>st</sup> of January 2019/1 <sup>st</sup> of January 2018;

## Disclaimer



© TUD 2020. This is a public report. This report may be reproduced or transmitted in any form or by any means, or stored in any retrieval system of any nature without the prior written permission of TUD or District 6 of the Municipality of Bucharest.

However, the format and the structure of this report represent intellectual property rights of TUD and cannot be multiplied, copied or used for commercial purposes or in any other purposes, different than the one mentioned.

TUD shall not in any circumstances be under any liability whatsoever to any other person for any loss or damage arising in any way as a result of reliance on this publication.

TUD warrants that reasonable skill and care has been used in preparing this report. Notwithstanding this warranty TUD shall not be under liability for any loss of profit, business, revenues or any special indirect or consequential damage of any nature whatsoever or loss of anticipated saving or for any increased costs sustained by the client or his or her servants or agents arising in any way whether directly or indirectly as a result of reliance on this publication or of any error or defect in this publication.

TUD makes no warranty, either express or implied, as to the accuracy of any data used by TUD in preparing this report nor as to any projections contained in this report which are necessarily of a subjective nature and subject to uncertainty and which constitute only TUD's opinion as to likely future trends or events based on information known to TUD at the date of this publication.

TUD's work on this report could not have been completed without the cooperation of the City Hall employees.

The financial documents which were used in preparing this report are: execution accounts for 31.03.2020 and for 31.12.2019, Initial budget for 2020 approved by LCD No. 25 from 21.02.2020, Rectified budget for 2020 approved by LCD No. 51 from 26.03.2020 and Initial budget for 2019 approved by LCD No. 110 from 18.04.2019, together with related investment lists.

This report is made available to you subject to TUD's conditions of supply to which your attention is hereby drawn. The use, in any form, of the information contained in this publication falls within the scope of these terms, brought to your attention herein. The user, by taking over, publishing or using the information from this publication in any other form, assumes the acknowledgement of these terms, as well as the compliance to the them.