



District 6 of the Bucharest Municipality



Semestrial financial report
at 30.06.2022



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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 km², 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 km², 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 ²	1,821 km ²
Green areas suraface in municipalities/cities	45 km ²	57 km ²
Length of city roads (2020)	3,432 km	4,408 km
Distribution simple network for drinking water	2,518 km	4,042 km
Simple length of sewer pipes (2020)	3,657 km	4,801 km
Total gas distribution network length (2020)	2,124 km	4,530 km
Distributed thermal energy (2020)	3,171,443 Gcal	3,179,969 Gcal

Population (01.07.2021)	District 6	Bucharest	B-IF Region
Total	397,754	2,161,347	2,633,690
Gender distribution			
female	213,092	1,150,079	1,393,331
male	184,662	1,011,268	1,240,359
Distribution by age categories			
0-19 years	67,710	385,511	489,395
20-44 years	146,174	785,325	970,178
45-59 years	82,666	458,151	557,825
60 years and above	101,204	532,360	616,292
Distribution by environment			
urban	397,754	2,161,347	2,378,074
rural	-	-	255,616

Workforce	Bucharest	B-IF Region
Work resources - people (2020)	1,242 th	1,589 th
Work resources occupancy rate (2020)	97.6%	89.4%
Number of employees - people (2021)	1,050 th	1,227 th
Unemployment rate (June 2022)	1.1%	1.0%

National economy	2018	2019	2020	2021
Annual GDP, current prices	RON 857,701 million	RON 954,371 million	RON 957,144 million	RON 1,055,042 million
(seasonally adjusted) CAEN Rev. 2				

Turnover of local units	Bucharest	B-IF Region
Total (2020, RON million), out of which:	476,551	580,013
Manufacturing industry	32,381	50,833
Constructions	37,037	45,078
Commerce	237,891	296,432
Energy production and supply	26,120	26,247
Real estate transactions	58,182	64,482
Information and communication	45,083	46,915
Transports and storage	18,206	24,779

Source: <http://www.insse.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 km² of area (165.3 km/100 km²), 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://pmud.ro>;

Ratios 30.06.2022 (mii RON)	PMB	District 1	District 2	District 3	District 4	District 5	District 6
Total revenues, w/o sums used from previous surplus	2,745,812	869,428	802,470	882,916	621,851	491,881	765,882
Own revenues, w/o sums used from previous surplus	2,648,441	775,774	705,560	775,991	486,663	430,835	659,273
Own revenues % TR	96.5%	89.2%	87.9%	87.9%	78.3%	87.6%	86.1%
Quotas and sums deducted from the income tax	2,546,007	425,569	437,717	537,120	373,000	325,612	446,989
Sums deducted from VAT	7,540	90,522	89,390	92,558	63,919	56,751	87,910
Subsidies	72,948	1,300	5,571	10,676	9,284	1,716	7,093
Sums received from EU	29,249	959.4	1,912	3,441	1,771	1,177	11,295
Total expenditures	2,569,174	458,134	504,957	497,504	593,663	455,429	433,653
Operational expenditures	2,181,493	399,989	408,465	348,828	407,581	363,385	333,324
Operational expenditures %	84.9%	87.3%	80.9%	70.1%	68.7%	79.8%	76.9%
Investment expenditures	202,822	15,191	68,815	67,977	123,643	54,820	46,318
Capital expenditures	2,000	14,118	45,874	65,574	92,518	51,715	40,486
Non - refundable external funds	75,051	1,168	1,080	2,425	31,124	2,713	5,207
Financial expenditures	184,859	42,954	27,676	80,699	62,439	37,223	54,011
Result of the period, w/o sums used from previous surplus	176,639	411,294	297,514	385,412	28,188	36,453	332,229
Sums used from previous surplus	18,937	431,342	77,148	0	1,469	0	46,504
Population (01.07.2021)	2,161,842	264,233	367,221	490,797	337,160	304,584	397,847

Source: <https://forexpublic.mfinante.gov.ro/web/transparenta-bugetara/rapoarte-entitati-publice>;

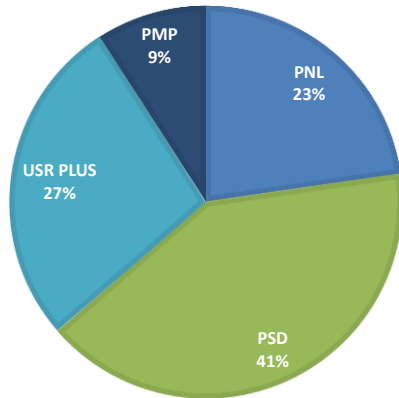
General overview

The Local Council of District 6 of the Municipality of Bucharest at 30.06.2022



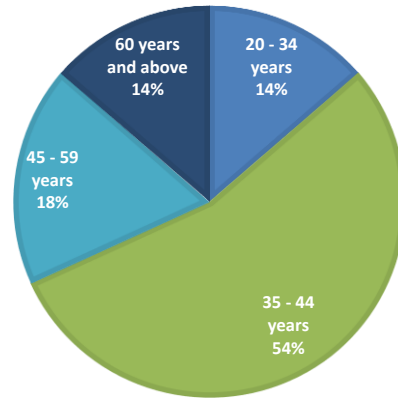
Political structure

■ PNL ■ PSD ■ USR PLUS ■ PMP



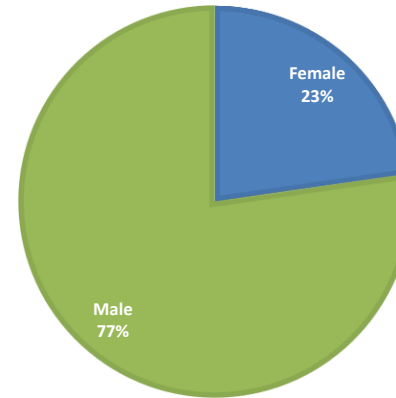
Age distribution

■ 20 - 34 years ■ 35 - 44 years ■ 45 - 59 years ■ 60 years and above



Gender distribution

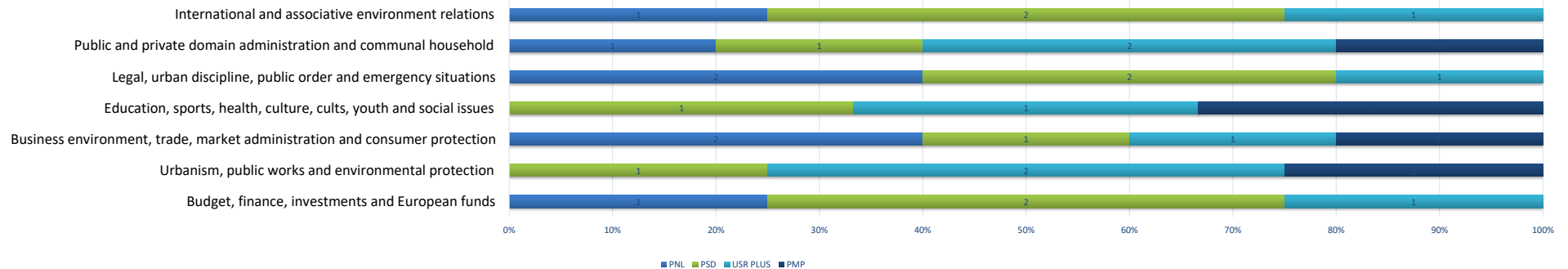
■ Female ■ Male



Structure by political party, profession and age groups

Party	No.	Profession	Age group
PSD	1	Carpenter	60 years and above
PSD	1	Journalist	35-44 years
PSD	1	Economist	20-34 years
PSD	3	Economist	35-44 years
PSD	1	Engineer	45-59 years
PSD	1	Lawyer	60 years and above
PSD	1	Professor	35-44 years
USR PLUS	1	Calculation equipment technician	20-34 years
USR PLUS	1	Journalist	35-44 years
USR PLUS	1	Economist	45-59 years
USR PLUS	1	Engineer	60 years and above
USR PLUS	2	Lawyer	35-44 years
PNL	1	Economist	20-34 years
PNL	1	Economist	35-44 years
PNL	1	Engineer	35-44 years
PNL	2	Engineer	45-59 years
PMP	1	Economist	45-59 years
PMP	1	Lawyer	35-44 years

District 6 Local Council Commissions and their political structure



- The position of Mayor of District 6 of the Bucharest Municipality is occupied by Mr. Ciprian Ciucu, as a result of the local elections in September 2020. He is a representative of the National Liberal Party, being a journalist by profession and 44 years old.
- The position of Deputy Mayor is held by Mr. Gadiuta Alexandru Vasile, representative of the USR Party, by profession geographer and 31 years and by Mrs. Stefan Mihaela-Ana-Maria, representative of the USR Party, specialized in Public Administration and 35 years old.
- Mr. Spiridon Demirel is the Secretary of Sector 6 of Bucharest, a lawyer by profession and 54 years old.

General overview



Institutions and directions subordinated to the Local Council of District 6

- **District 6 of the Bucharest Municipality (Specialized body within the Mayor's office)**
- **Market Administration District 6**
- **Public Domain Administration and Urban Development District 6**
- **General Directorate of Local Taxes and Duties District 6**
- **Schools Administration District 6**
- **Education units**
- **General Directorate of Social Assistance and Child Protection**
- **General Directorate of Local Police District 6**
- **Local Directorate of Population Evidence District 6**
- **European Cultural Center District 6**
- **Housing Fund Administration Directorate District 6**
- **Multifunctional Health Center "Sfantul 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, 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 and 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 Masca Theater 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 district, modernized and reopened in June 2015), as well as the Botanical Garden (with a surface of approximately 17.5 ha).

Through the Integrated Urban Development Program of sector 6 of the city of Bucharest 2021-2030 (approved by LCD no. 101 of 30.06.2021), for the objective of efficient and inclusive social development, the improvement of the cultural offer and opportunities for artistic creation is pursued through:

Development works Giulesti Cinema - cultural hub, Golescu Grant - children's center (diversification of services/modernization) - Modern space, equipped and logistically equipped to European standards, dedicated to artistic, didactic or musical activities (2021-2024, investment estimated at 4 million Eur with financing from the local budget and non-reimbursable financing sources);

Favorite Cultural Center - Spending free time for the residents of the area by providing a dedicated space; Center dedicated to cultural and artistic activities; Events organized to promote local artists (2021-2024, investment estimated at approximately 13.3 million Eur, in implementation, with financing from the local budget and other sources of financing).

source: *The integrated urban development program of sector 6 of the municipality of Bucharest 2021-2030*

Environment protection

LCD 286 from 23.11.2017 - Convention of Mayors on Climate and Energy - Following the adoption in 2008 of the EU Climate and Energy Package for 2020, the European Commission has launched the "Convention of Mayors on Climate and Energy", which brings together local and regional authorities and voluntarily undertakes to implement the EU's climate and energy objectives on their territory. Thus, by acceding to this Convention, the signatory authorities undertake to support the achievement of the EU target of reducing greenhouse gases by 40% by 2030 and the adoption of a common approach to integrating climate change mitigation and adaptation strategies.

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

- conducting a baseline emission inventory and an assessment of climate change risks and vulnerabilities;
- presentation of an action plan on sustainable energy and climate within two years from the date of the decision of the Local Council;
- elaboration of a report on the progress registered, at least once every two years starting with the date of presentation of the Action Plan on sustainable energy and climate, for the purpose of evaluation, monitoring and verification.

LCD no. 101 of 30.06.2021, the Integrated Urban Development Program of Sector 6 of Bucharest 2021-2030 is approved.

Education

LCD 4 from 27.01.2022 organized the state and private pre-university education units for the year 2022-2023 as follows: 27 state kindergartens and 30 private kindergartens, 25 state gymnasium schools and 4 private schools (primary and gymnasium cycle), 14 state high schools and 7 private high school education units (of which 2 post-secondary schools), 2 institutions within special education, 1 independent scholar sports club and 1 children's club.

The financing of pre-university education is carried out based on the National Education Law no. 1 from 2011, with the subsequent amendments. At the level of higher education, among the universities based in District 6, we mention: Bucharest Polytechnic University, National Academy of Physical Education and Sports, Pentecostal Theological Institute and Ecological University.

Ongoing projects for the construction and renovation of school infrastructure at the level of sector 6, from the Regional Operational Program (in 2020 and 2021, respectively, financing contracts were signed for the modernization of school infrastructure for 6 educational units), through the National Local Development Program 2017- 2020 (Albina Kindergarten - 17 Rusetu Street, Sector 6, Bucharest, new construction), as well as within the Project "Sector 6 - Energy Efficiency for Public Buildings (District 6 - Energy Efficiency for Public Buildings- D6EEPB)", which involves the NZEB type rehabilitation of some educational units and the construction of new buildings, the execution contracts being signed, and the works are already in progress, 12 objectives for NZEB type rehabilitation of educational units and 8 objectives for new NZEB buildings (kindergartens) and new buildings NZEB (after-school).

Children and adolescents in Sector 6 benefit from a series of prevention and empowerment programs in the community such as: Neighborhood Camps, Parents' School, You Choose! (program for combating violence in schools and high schools), La teatrale cu matala! of children, involving them in artistic, cultural, sports, technical-scientific activities (theater, modern dance, music, fine arts (painting, graphic art, modeling), chess, karate, computer science, etc.). source: Integrated urban development program of sector 6 of Bucharest 2021 - 2030.

Social assistance

LCD no. 12 from 30.01.2020 approved the development and financing amounting to RON 627,585 from the local budget of District 6 of the project "Counseling and Support Center for Young People at Risk", carried out by the General Directorate of Social Assistance and Child Protection District 6, in partnership with the Metropolis Philanthropic Foundation. The aim of the project is social inclusion and the emphasis is on finding a home, a job, building different social and interpersonal relationships.

LCD no. 20 from 30.01.2020 approved the development and financing from the local budget of Sector 6 in the amount of 1,389,018 lei of the project "St. Marcellin Champagnat Placement Center" carried out by the General Directorate of Social Assistance and Child Protection Sector 6 in partnership with Association "Marist Brothers of Romanian Schools". This program aims to reduce the percentage of children who are part of the circle of marginalization, giving them the opportunity to become independent, dignified and responsible people.

LCD no. 64 from 15.04.2021 approved the Annual Action Plan on social services administered and financed from the budget of the Local Council of Sector 6, for 2021, respectively the following operational objectives / directions of action: General objective I. Protection and promotion of children's rights; General objective II. Protection of children and adults with disabilities; General objective III. Protection of the elderly; General objective IV. Preventing and combating social marginalization; General objective V. Preventing and combating domestic violence; General objective VI. Emergency intervention; Obiectiv general VII. Improving the health of citizens. General objective VIII. Communication, information and promotion; General objective IX. Supporting and attracting public-private partnerships; General objective X. Elaboration of projects and development of services by accessing non-reimbursable funds; General objective XI. Encouraging participation and volunteering; General objective XII. Increasing the quality of services.

Context: Legislative changes with an impact on the budget and / or the general framework:



1. Quotas and amounts deducted from the income tax: VARIATION (2006-2022): Bucharest

	2022, 2021, 2020, 2019, 2018 - by exception from 273 (Art. 32 & 33)							Law 273/2006		
	Law of the State Budget 217/2021	Rectification of the State Budget GEO 3/09.2021	Law of the State Budget 15/2021	Rectification of the State Budget GEO 50/2020	Law of the State Budget 5/2020	Law of the State Budget 50/2019	Law of the State Budget 2/2018	02-12-12	01-01-11	18-07-06
BUCURESTI										
Municipality of Bucharest	50%	50%	50%	50%	50%	49.0%	55.0%	44.5%	44.5%	47.5%
Districts of the Municipality of Bucharest	50%	50%	50%	50%	50%	51.0%	30.0%	20.0%	22.5%	23.5%
In an separate account to the Municipality of Bucharest Treasury, for balancing the budgets		7%				0.0%	5.0%	7.0%	10.0%	11.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.0%	71.5%	77.0%	82.0%
Remarks	2 steps: 1. Allocation lei 1,500/capita/year	2 steps: 1. Allocation lei 1,400/capita/year	2 steps: 1. Allocation lei 1,150/capita/year	2 steps: 1. Allocation lei 1,000/capita/year	2 steps: 1. Allocation lei 1,000/capita/year	2 steps: 1. Allocation lei 1,000/capita/year	2 steps: 1. Ensure of a minimum operating budget of lei 1,250 in order to supplement the own revenues			
	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. The difference is distributed directly proportional with the estimated tax to be realized in each district range	2. Proportional to the estimated tax to be collected in 2019 at the level of each sector			

2. General framework

2017: GEO no. 2/06.01.2017; Law 153/2017; GD 846/2017: increase staff costs

2018: GEO 79/2017:

- decrease of the income tax from 16%, the level until December 2017, to 10%, from January 1, 2018;

- amending the fiscal framework regarding the transfer of contributions from employer to employee; possible changes regarding the alignment no. of posts;

- on certain fiscal-budgetary measures, amending and additioning certain normative acts and extending some deadlines:

"Starting with 2018, from the state budget, through the budget of the Ministry of National Education, it is ensured, for the state pre-university education units, the financing of the expenses with salaries, bonuses, indemnities and other salary rights in money, established by law".

Until 2018, these expenditures were reflected in local budgets, provided by Sums deducted from VAT for financing the expenditures.



Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q2 2022 vs. Q2 2021
- Revenues and expenditures structure

Balance of revenues and expenditures

at Q2 2022, as compared to Q2 2021

'000 RON



	Q2 2021	Q2 2022	%
TOTAL REVENUES	545,909.2	812,385.7	▲ 48.8%
TOTAL EXPENDITURES	435,509.2	433,653.1	▼ -0.4%
Operational Revenues	542,027.5	747,758.5	▲ 38.0%
Tax revenues	532,699.1	734,477.8	▲ 37.9%
Own tax revenues	444,232.1	646,567.7	▲ 45.5%
Sums deducted from VAT	88,467.0	87,910.2	▼ -0.6%
Non - tax revenues, out of which:	9,179.4	13,013.5	▲ 41.8%
Non - tax own revenues	1,412.7	1,522.7	▲ 7.8%
Donations and sponsorships	24.6	310.0	▲ 1161.2%
Current subsidies	149.0	267.2	▲ 79.4%
Operational Expenditures (OPEX), out of which:	344,830.3	333,323.8	▼ -3.3%
Staff costs (PEREX)	90,642.5	103,896.9	▲ 14.6%
Goods and services*	172,678.5	125,845.8	▼ -27.1%
Current transfers	22,650.2	26,089.9	▲ 15.2%
Social assistance	33,497.1	41,039.1	▲ 22.5%
Subsidies	1,773.2	1,917.9	▲ 8.2%
Other expenditures	10,717.8	22,014.8	▲ 105.4%
Operational Result	197,197.2	414,434.7	
Operational Surplus (% from OPEX)	57.2%	124.3%	
Operational Deficit (% from Op. revenues)	-	-	
Investment Revenues	3,881.8	18,123.2	▲ 366.9%
Capital revenues	1.8	2.1	▲ 17.5%
Capital subsidies	3,469.0	6,825.9	▲ 96.8%
Sums received from the EU	411.0	11,295.2	▲ 2648.2%
Investment Expenditures (CAPEX), out of which:	40,731.7	46,318.4	▲ 13.7%
Capital transfers	-	743.0	-
Projects with EU financing	800.0	5,207.3	▲ 550.9%
Capital expenditures	39,931.7	40,486.3	▲ 1.4%
Result from the investment activity	- 36,850.0	- 28,195.2	
Financial Revenues	-	46,504.0	-
Financial operations	-	46,504.0	-
Financial Expenditures	49,947.2	54,011.0	▲ 8.1%
Commissions related to loans	35.0	1.0	▼ -97.1%
Interests	13,131.9	20,838.7	▲ 58.7%
Reimbursement of loans	36,780.3	33,171.3	▼ -9.8%
Financial Result	- 49,947.2	- 7,507.0	
Result of the period	110,400.1	378,732.6	▲ 243.1%
Surplus (% from Total Expenditures)	25.3%	87.3%	
Deficit (% from Total Revenues)	-	-	
Result of the period (without previous year's surplus)	110,400.1	332,228.6	▲ 200.9%
Own revenues/Operational revenues (%)	83.6%	88.2%	
OPEX/Own revenues (%)	76.1%	50.6%	
(OPEX-PEREX, from Education&Insurance and social assistance)/(O. Rev.-Quotas deducted from the income tax) (%)	69.7%	40.8%	

- At the end of the first six months of the current year, the Operating Result registers a surplus of RON 414,434.7 th, representing 124.3% of the Operating Expenses, being by RON 217,237.5 th over the surplus recorded in the same period of 2021. The evolution is determined by an increase in operating income (+RON 205,731 th, +38%), corroborated by a decrease in operational expenses (-RON 11,506.5 th, -3.3%).
- The result from the investment activity registers a deficit of RON 28,195.2 th. The result of the first half of the current year is generated on the basis of an increased level of investment expenses (+RON 5,586.6 th, +13.7%). At the same time, investment incomes are increasing more sharply, by RON 14,241.4 th (+366.9%). In this context, the result from the investment activity is improving compared to the deficit recorded in the similar period of the previous year (worth -RON 36,850 th).
- The financial result marks a deficit of RON 7,507 th, much diminished compared to that recorded in Q2 2021, mostly determined by the uses in the previous year's surplus, while the financial expenses were reduced by 8.1%.
- The result of the period is positive in both periods. Therefore, taking into account the operating surplus, the result of the period, after covering the deficits in the investment and financing activity, registers a surplus of RON 332,228.6 th (+200.9% over the surplus of the first half of the previous year).

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

Revenues and expenditures balance

at Q2 2022, as compared to Q2 2021

'000 RON



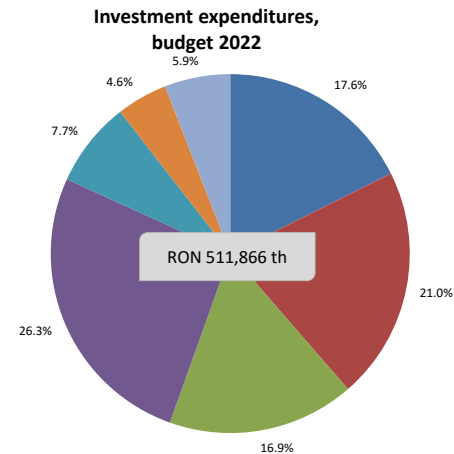
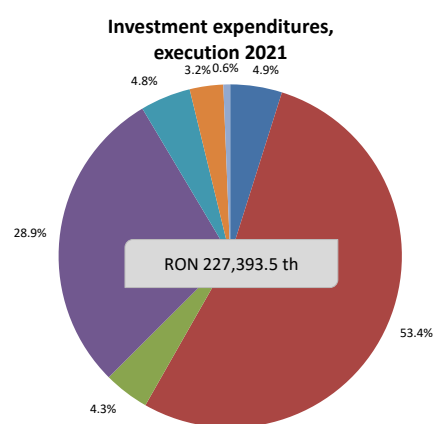
Payments performed at Q2 2022, as compared to Q2 2021 (Variation)

Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:				Financial Expenditures	Investment Expenditures	Investment expenditures (Budget 2022)
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance			
Public Authorities and external actions	235.9	-3,413.1	6,294.3	-9,046.7	3,385.5	0.0	3,649.1	90,271.0
Other general public services	1,204.2	1,064.3	-6.3	0.0	0.0	0.0	139.9	158.0
Transactions regarding the public debt and loans	7,707.8	0.0	0.0	0.0	0.0	7,707.8	0.0	0.0
General Transfers between different levels of administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Defense	34.6	34.6	0.0	34.6	0.0	0.0	0.0	0.0
Public order and national security	1,628.6	1,525.5	0.0	-87.9	0.0	0.0	103.0	3,387.0
Education	-1,290.0	-243.2	-185.8	-14,893.1	250.4	0.0	-1,046.9	86,259.0
Health	28.6	0.0	0.0	0.0	0.0	0.0	28.6	6,536.0
Culture, recreation and religion	-4,135.6	-4,188.5	2,982.5	-10,315.2	0.0	-35.0	87.9	39,402.0
Insurance and social assistance	8,344.5	5,328.7	4,086.2	-3,726.8	612.0	0.0	3,015.9	23,502.0
Housing, public services and development	-22,734.2	-5,687.3	79.8	-4.5	159.5	0.0	-17,046.9	107,385.0
Environment protection	-11,379.7	-11,379.7	0.0	-10,632.8	0.0	0.0	0.0	20,212.0
General economic, commercial and working actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel and power	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Agriculture, Forestry, Fish breeding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transport	18,499.2	1,843.2	3.7	1,839.7	0.0	0.0	16,656.0	134,754.0
Other economic actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	-1,856.1	-15,115.5	13,254.4	-46,832.7	4,407.3	7,672.8	5,586.6	511,866.0

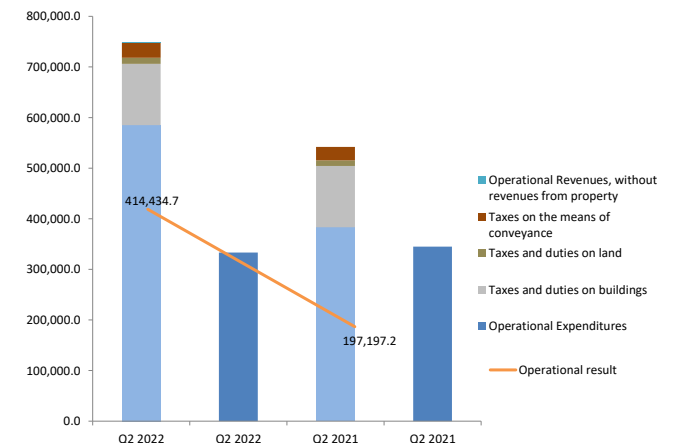
*) Goods and services title, highlighted within the Operational Expenditures, does not include the expenditures on Commissions and other costs related to debts, being reflected at the level of the Financial Expenditures;

Distribution of the Investment expenditures in 2022 (according to the budget), as compared to the distribution of the execution in 2021

Structure of the Operational Result (Q2 2022 vs. Q2 2021)



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



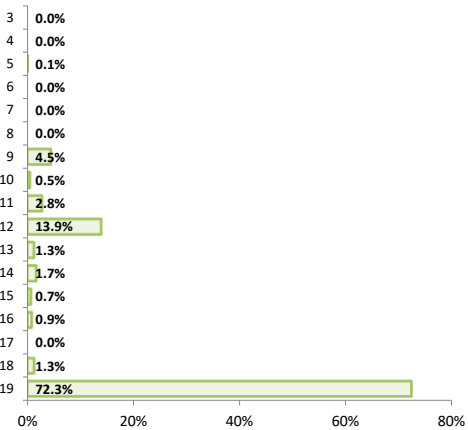
Revenue and expenditure structure

at 30.06.2022

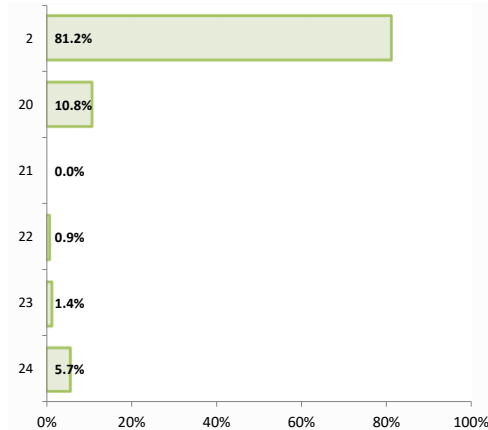


'000 RON

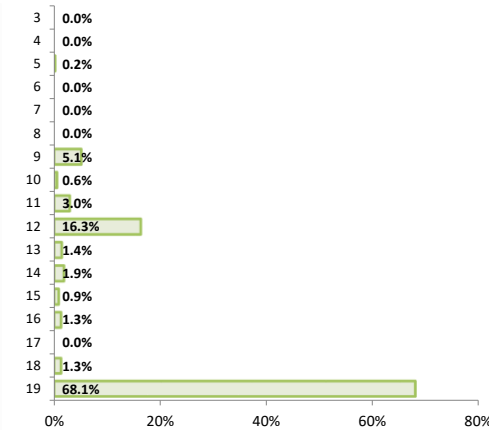
The structure of performed own revenues
659,273.3



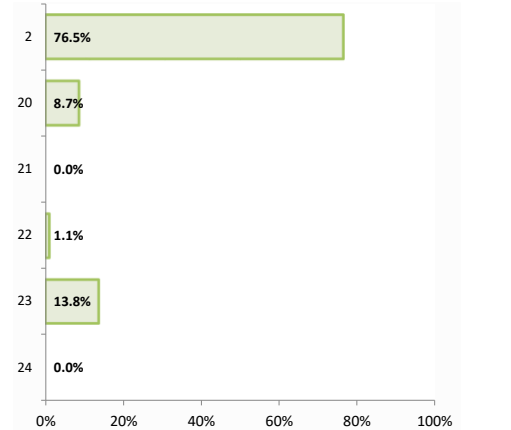
The structure of performed total revenues
812,385.7



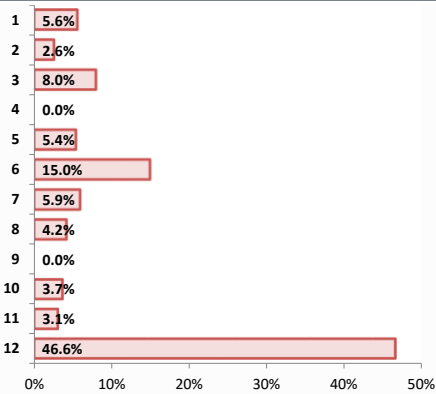
The structure of planned own revenues
575,252.0



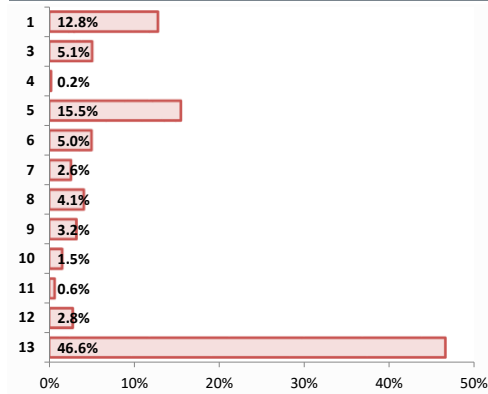
The structure of planned total revenues
752,199.5



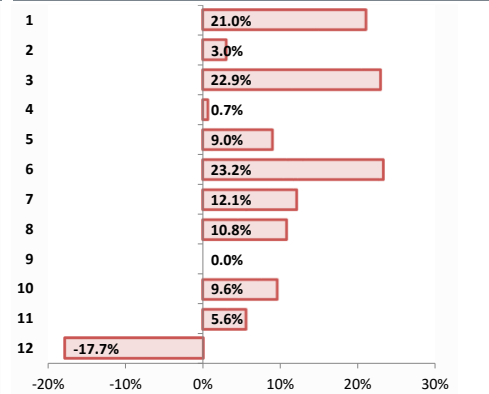
The structure of performed functional expenditures
812,385.7



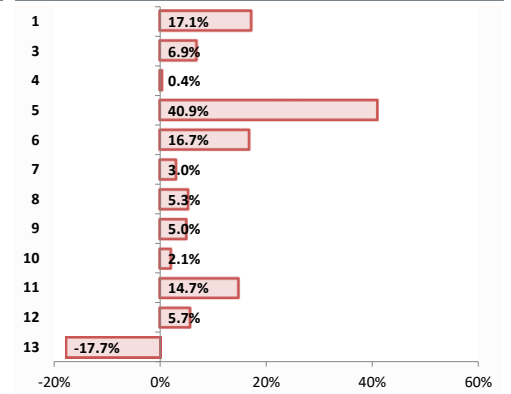
The structure performed economic expenditures
812,385.7



The structure of planned functional expenditures
752,199.5



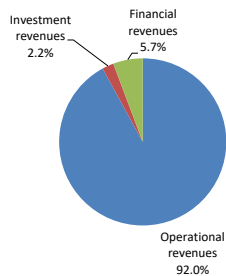
The structure of planned economic expenditures
752,199.5



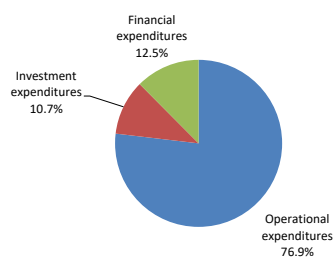
Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

Planned level - final provisions approved at the end of the reporting period;

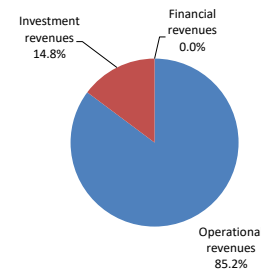
Collected revenues at Q2 2022



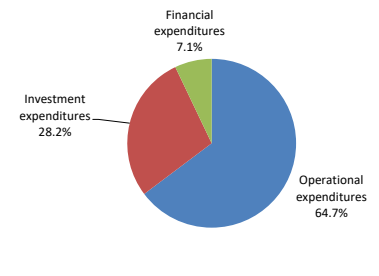
Performed expenditures at Q2 2022



Planned revenues at Q2 2022



Planned expenditures at Q2 2022





Section II: Budgetary Revenues

- The situation of the revenues collected at 30.06.2022
- The variation of the performed revenues at Q2 2022 compared to Q2 2021
- Budgetary provisions: the achievement degree of the revenues at Q2 2022
- Revenues ratios

The situation of the revenues collected

at 30.06.2022



'000 RON

Line	Revenues	2022				2021									
		Planned 2022	% /TRC	Planned at Q2	% /TRC	Revised at Q2	% /TRC	Execution at Q2	% /TRC	Planned 2021	% /TRC	Planned at Q2	% /TRC	Execution at Q2	% /TRC
1	Total revenues (TR)	1,388,198.0		752,199.5		702,927.2		812,385.7		1,249,668.2		481,124.4		545,909.2	
2	Own revenues, out of which:	1,025,381.0	73.9	575,252.0	76.5	595,151.0	84.7	659,273.3	86.1	791,751.2	63.4	365,455.4	76.0	453,388.8	83.1
3	Quotas deducted from the income tax	-	-	-	-	-	-	-	-	44,785.5	3.6	44,785.5	9.3	44,785.5	8.2
4	Capital revenues	20.0	0.0	10.0	0.0	6.0	0.0	2.1	0.0	20.0	0.0	4.0	0.0	1.8	0.0
5	Revenues from concessions and rents	2,000.0	0.1	1,100.0	0.1	739.0	0.1	680.9	0.1	1,700.0	0.1	694.0	0.1	820.3	0.2
6	Payments from net profit of self-governing administration, national societies and companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	36,000.0	2.6	29,500.0	3.9	31,323.0	4.5	29,433.3	3.8	29,000.0	2.3	22,668.0	4.7	27,824.6	5.1
10	Tax on land from the population	4,500.0	0.3	3,200.0	0.4	3,681.0	0.5	3,585.2	0.5	4,100.0	0.3	2,604.0	0.5	3,228.0	0.6
11	Tax on the means of conveyance owned by the population	22,500.0	1.6	17,000.0	2.3	18,501.0	2.6	18,416.3	2.4	18,500.0	1.5	12,981.0	2.7	16,484.0	3.0
12	Tax on buildings from the legal entities	123,000.0	8.9	94,000.0	12.5	99,364.0	14.1	91,656.7	12.0	112,000.0	9.0	78,647.0	16.3	93,180.9	17.1
13	Tax on land from the legal entities	11,500.0	0.8	8,200.0	1.1	9,038.0	1.3	8,417.1	1.1	9,700.0	0.8	5,812.0	1.2	7,954.7	1.5
14	Tax on the means of conveyance owned by the legal entities	15,000.0	1.1	10,700.0	1.4	11,952.0	1.7	11,264.0	1.5	14,800.0	1.2	7,378.0	1.5	10,161.8	1.9
15	Fees and charges for the issuance of licences and functioning authorisations	10,000.0	0.7	5,000.0	0.7	3,576.0	0.5	4,629.2	0.6	10,700.0	0.9	4,355.0	0.9	4,042.3	0.7
16	Stamp duties, for notary work and other stamp duties	13,500.0	1.0	7,500.0	1.0	6,325.0	0.9	5,616.3	0.7	10,000.0	0.8	3,682.0	0.8	5,573.2	1.0
17	Extrajudicial stamp duties	30.0	0.0	20.0	0.0	16.0	0.0	14.0	0.0	25.0	0.0	6.0	0.0	10.4	0.0
18	Revenues from fines and other legal sanctions	15,000.0	1.1	7,500.0	1.0	8,284.0	1.2	8,750.9	1.1	15,000.0	1.2	5,436.0	1.1	6,225.0	1.1
19	Other own revenues	772,331.0	55.6	391,522.0	52.1	402,346.0	57.2	476,807.2	62.3	521,420.7	41.7	176,402.9	36.7	233,096.2	42.7
19.1	Sums allocated from the quotas deducted from income tax to balance the local budgets	739,660.0	53.3	369,830.0	49.2	369,830.0	52.6	446,989.0	58.4	501,395.7	40.1	167,131.9	34.7	220,056.4	40.3
20	Sums deducted from the VAT	139,674.0	10.1	65,374.0	8.7	87,910.2	12.5	87,910.2	11.5	176,695.0	14.1	88,467.0	18.4	88,467.0	16.2
21	Donations and sponsorships	-	-	-	-	250.0	0.0	310.0	0.0	-	-	-	-	24.6	0.0
22	Subsidies received from the State Budget	16,006.0	1.2	8,004.0	1.1	4,791.0	0.7	7,093.1	0.9	17,978.0	1.4	4,028.0	0.8	3,617.9	0.7
23	Sums received from EU for the made payments	207,137.0	14.9	103,569.5	13.8	14,825.0	2.1	11,295.2	1.5	263,244.0	21.1	23,174.0	4.8	411.0	0.1
24	Other revenues	-	-	-	-	-	-	46,504.0	6.1	-	-	-	-	-	-
Operational revenues		1,165,735.0	84.0	640,966.0	85.2	683,657.2	97.3	747,758.5	92.0	969,614.2	77.6	454,512.4	94.5	542,027.5	99.3
Investment revenues		222,463.0	16.0	111,233.5	14.8	19,270.0	2.7	18,123.2	2.23	280,054.0	22.4	26,612.0	5.5	3,881.8	0.71
Financial revenues		-	-	-	-	-	-	46,504.0	5.7	-	-	-	-	-	-
Total revenues - operating section		1,007,943.0	72.6	563,532.5	74.9	589,906.8	83.9	741,681.8	91.3	884,025.2	70.7	411,718.4	85.6	500,386.7	91.7
Total revenues - development section, out of which:		380,255.0	27.4	188,667.0	25.1	113,020.4	16.1	70,703.9	8.7	365,643.0	29.3	69,406.0	14.4	45,522.5	8.3
Previous surplus		-	-	-	-	-	-	46,504.0	5.7	-	-	-	-	-	-
Total revenues collected (TRC* = TR - Previous surplus)		1,388,198.0	100.0	752,199.5	100.0	702,927.2	100.0	765,881.7	94.3	1,249,668.2	100.0	481,124.4	100.0	545,909.2	100.0

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

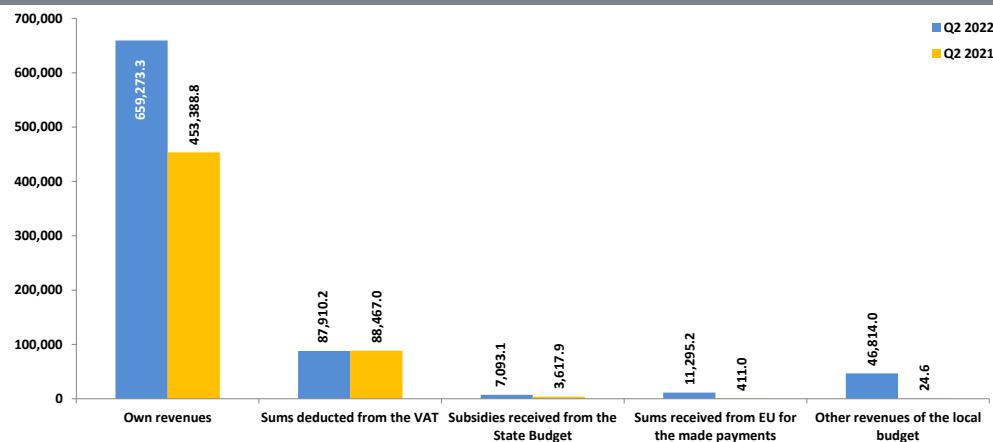
The budget was not rectified by the end of Q2 2021;

The variation of the performed revenues at Q2 2022 compared to Q2 2021

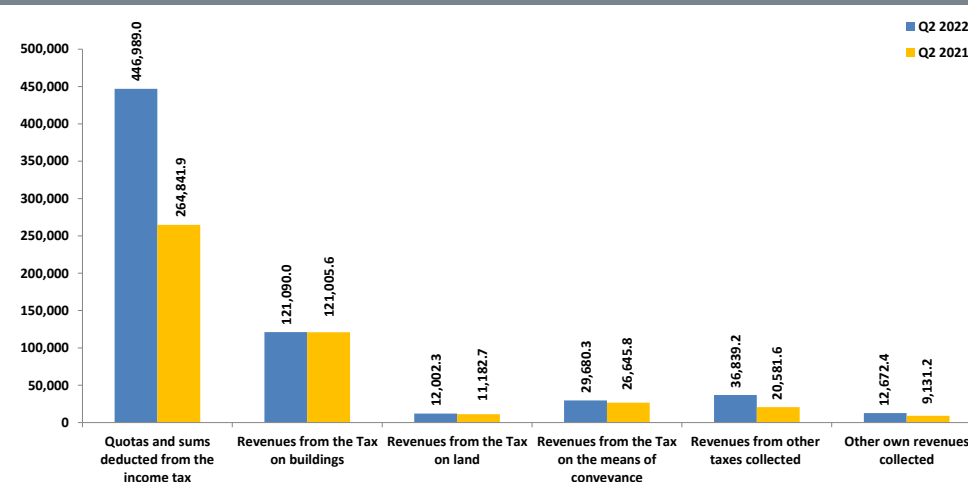
'000 RON



Total revenues



Own revenues



The revenues collected to the local budget are increasing by 40.3%, respectively by RON 219,972.5 th, up to the level of RON 765,881.7 th. If the Sums from the local budget surplus used are considered (in amount of RON 46,504 th at Q2 2022), then the total revenues marked an increase by RON 266,476.4 th (+48.8%) as compared to the ones recorded at Q2 2021 (as in the first semester of 2021 there were no Sums from the local budget surplus used).

- Within **Own revenues**, an increase of 45.4% is observed, respectively by RON 205,884.5 th.
- In the group of **Other revenues** are recorded earnings at the level of RON 46,504 th, fully represented by the Sums from the local budget surplus used for financing the development expenditures. In the comparative reference period, no such uses from the local budget surplus were recorded.
- Also, the **Sums received from the EU for payments performed** are going up by RON 10,884.2 th entirely at the level of the 2014-2020 financial framework, with influences from the European Fund for Regional Development (+RON 10,382.5 th), the European Social Fund (+RON 171.6 th, +52.6%) and from Other community programs financed in the period of 2014-2020 (collected at the value of RON 415 th), being by RON 300 th above the level recorded at Q2 2021. The variation is produced mainly by the Amounts received for the payments made during the previous years.
- The **Subsidies received from the State Budget** increase by RON 3,475.2 th (+96.1%), the influences being observed mostly at the level of the capital ones, respectively by the registration of Subsidies received for social housing funding (in amount of RON 4,161.3 th, no such revenues being recorded in the similar period of the prior year), corroborated with the lack of Subsidies received for Financing of the National Program of Local Development (in amount of RON 3,433.6 th at Q2 2021). Besides, were recorded higher Subsidies received from the state budget to local budgets necessary for the development of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework by RON 2,629.2 th.

- **Donations and sponsorships**, recorded at Q2 2022 in amount of RON 310 th as compared to RON 24.6 th registered in the similar period of the prior year.
- The **Sums deducted from VAT** faced a decrease of RON 556.9 th. The trend was set by the amounts for financing the expenditures of districts (-RON 3,085 th, -4.2%) and from the increase of amounts for financing the private and confessional education (+RON 2,528.2 th).
- **Own revenues** reach the value of RON 659,273.3 th during the period subject to reporting, and the most important influences that determine the increase of the group are found at the level of the following categories of income:
 - **Quotas and amounts deducted from the income tax**, with an increase of RON 182,147.1 th (+68.8%). It is noted the Sums allocated from the quotas deducted from income tax to balance the local budgets, which represent the totality of the revenues from this group and the absence of the Quotas deducted from the income tax (amounting to RON 44,785.5 th at Q1 2021);
 - **Revenues from other taxes collected**, with an increase of RON 16,257.6 th (+79%), mainly determined by Other duties and fees (+RON 15,219.7 th, +167.7%). A notable increase of these amounts is found at the level of Fees and charges for the issuance of licenses and authorizations of functioning (+RON 587 th, +14.5%) and Tax on shows (+RON 317.8 th);



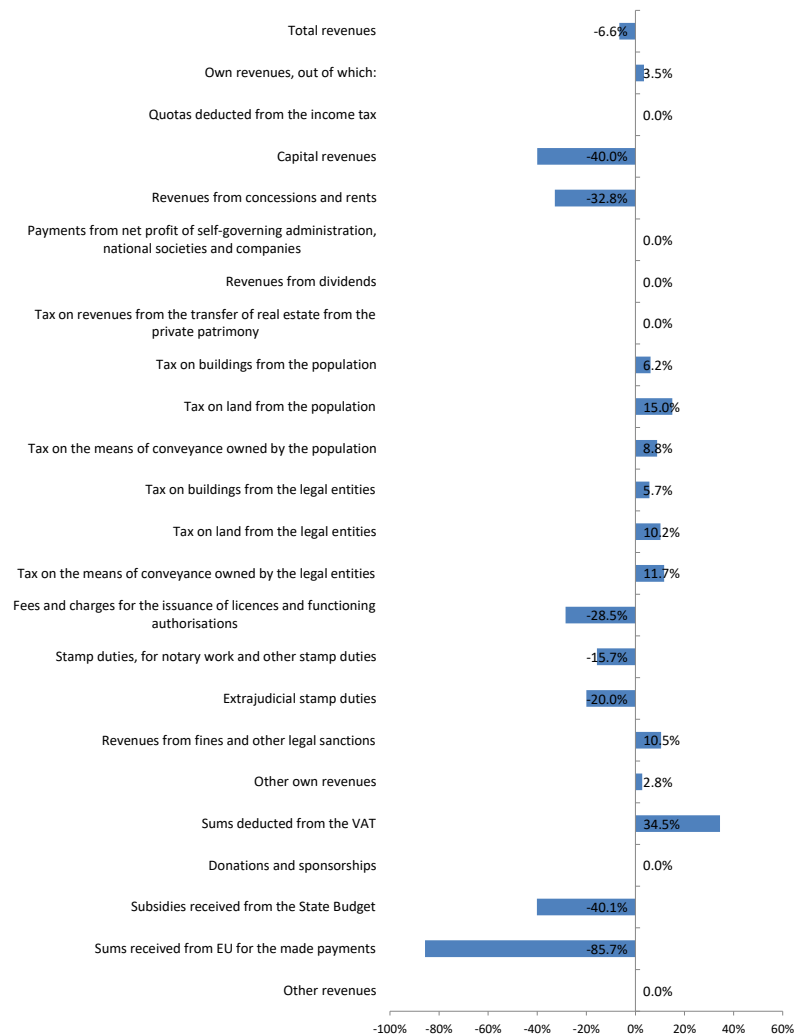
The variation of the performed revenues at Q2 2022 compared to Q2 2021

'000 RON

- **Revenues from the tax on property**, with an increase of RON 3,938.5 th, mostly due to the amounts collected from individuals (+RON 3,898.1 th, +8.2%), those from the legal entities registering a less accelerated increase (+RON 40.4 th). The significant increase of these taxes is determined by the level of taxes and duties on means of conveyance (+RON 3,034.5 th, +11.4%);
- **Other own revenues collected**, with an increase of RON 3,541.2 th (+38.8%) and major influences from Revenues from fines and other legal sanctions imposed by other specialized institutions (+RON 2,525.9 th, +40.6%), the registration of Other revenues from interests (amounting to RON 643.5 th) and the increase of the Contribution of parents and legal guardians for the upkeep of children in nurseries (+RON 403.8 th, +133.6%).



Revenues revision, as compared to the initial budget



The final provisions related to the first half of 2022 (approved through LCD no 147/20.06.2022) estimated a decrease of the collected revenues by RON 49,272.3 th (-6.6%) as compared to the value included in the initial budget.

- Within the **Operational revenues** the final provisions are higher by RON 42.691,1 th (+6.7%), as follows:
 - The **Sums deducted from VAT** were included in the final budget in amount of RON 87,910.2 th, being by 34.5% above the initial estimations (+RON 22,536.2 th), mainly at the level of the ones for financing the expenditures of villages, communes, towns and the municipality of Bucharest (+RON 20,008 th);
 - The **Revenues from tax on property** were estimated by RON 11,259 th above the initial provisions, up to RON 173,859 th.
 - For **Other taxes and duties** were provisioned in the final budget, at Q2 2022, revenues in amount of RON 24,296.3 th, the value being by RON 10,092 th above the initial provisions.
- For the **Investment revenues**, for Q2 2022, the revised provisions were lower by RON 75,646.7 th as compared to the initial estimations, considering:
 - For the **Sums received from the EU for the made payments** were included amounts by RON 88,744.5 th below the initial provisions, by lower estimations for the European Fund for Regional Development (-RON 90,982.5 th), while the one for the European Social Fund were increased by RON 999 th.
 - For the **Capital subsidies** were provisioned lower amounts by RON 3,215 th (-42%) as compared to the initial estimations, considering that were no longer included Subsidies for the thermal rehabilitation for housing buildings (in amount of RON 2,262 th in the initial budget), while for Subsidies received for social housing funding the final provisions were lower by RON 1,250 th.

The total annual revenues estimated through the final revision of the budget at Q2 2022 were by RON 16,607 th (+1.2%) above the level included in the initial budget. The dynamics is reflected as follows:

- At the level of **Operating Revenues**, for the year 2022, an increase of RON 49,422 th (+4.2%) to the value of RON 1,215,155 th is foreseen, as follows:
 - Increasing the final provisions related to the **Amounts deducted from VAT** by RON 49,148 th (+35.2%);
 - Other taxes and duties** provided in the final budget by RON 8,960 th above the planned level, up to the value of RON 33,960 th.
 - The reduction of the provisions for income from the **Tax on property**, by RON 9,000 th, fully at the level of the provisions related to the Tax on buildings from legal entities.
- For **Investment revenues** for the year 2022, the budget rectification approved by LCD no. 147/20.06.2022 provided their reduction by RON 32,813 th (-14.7%), as follows:
 - At the level of the **Sums received from the EU** for the payments performed for programs financed through the European Regional Development Fund (-RON 33,981 th), corroborated with higher provisions related to the European Social Fund (+RON 1,000 th);
 - Other amounts received from European Union funds for the operational programs financed from the financial framework 2014-2020** with final annual provisions higher by RON 168 th (+1.4%) above the initial ones;

Budgetary provisions

Achievement degree of the revenues at Q2 2022

'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 62,954.5 th above the level of the final budget provisions, thus marking a degree of their achievement of 109%. If we also take into account amounts from the local budget surplus used to finance the expenses of the development section, amounting to RON 46,504 th, the level of revenues at Q2 2022 is by RON 109,458.5 th over the provisions of the final budget (execution degree of 115.6%).

- The Operating revenues were by RON 64,101.4 th above the level estimated in the budget, with an execution degree of 103.5%. The structure of the budget execution is influenced in the analyzed interval by the following categories of revenues:
 - **Other own revenues**, higher by RON 74,461.2 th (+18.5%) than the estimates in the budget and influenced by Amounts allocated from the income tax rates for balancing local budgets (+RON 77,159 th, +20.9%), Other taxes and fees (- RON 2,795.7 th, -10.3%) and Other revenues (+RON 264.3 th, +23.6%);
 - **Fees and charges for the issuance of licenses and authorizations of functioning**, with RON 1,053.2 th (+29.5%) above the level of the initial budget provisions;
 - **Revenues from the tax on property**, being by RON 11,086.4 th below the estimated level, with a dynamic determined by the amounts collected from legal entities (-RON 9,016.2 th, -7.5%), respectively significant influences from taxes and duties on buildings (-RON 9,597 th, -7.3%);
 - **Stamp duties, for notary work and other stamp duties**, registering a level with RON 708.7 th (-11.2%) lower.
- **Financial revenues** register the value of RON 46,504 th, fully represented by the amounts from the local budget surplus used to finance the expenses of the development section.
- **Investment revenues** are by RON 1,146.8 th below the provisioned level (performance degree of 94%), respectively facing a trend generated by:
 - **Sums received from the EU**, lower by RON 3,529.8 th (achievement rate of 76.2%). This decrease is influenced by the absence of Other amounts received from European Union funds for the operational programs financed from the financial framework 2014-2020 (RON 6,018 th in the final provisions), compensated by the increase of RON 2,488.2 th in the revenues related to the financial framework 2014-2020, respectively the European Regional Development Fund (+RON 5,707.5 th, +122.1), Other Community programs financed during 2014 - 2020 (-RON 1,728 th) and the European Social Fund (-RON 1,491.3 th).
 - **Capital subsidies**, higher by RON 2,386.9 th (+53.8%) compared to the budgetary provisions, the influences coming from the value of subsidies for financing social housing (+RON 2,911.3 thousand), corroborated with the value lower by RON 524.4 thousand of subsidies from the state budget to local budgets necessary to support the development of projects financed from non-reimbursable external funds (FEN) post-accession, for the 2014-2020 programming period.

Revenues ratios

at Q2 2022, as compared to Q2 2021

'000 RON



Ratios	Q2 2022	Q2 2021
Revenues from the tax on property	162,772.6	158,834.1
Revenues per Capita	409.1 RON	399.2 RON
The revenue weight in the total revenues	20.0%	29.1%
Own tax revenues	646,567.7	444,232.1
Revenues per Capita	1,625.2 RON	1,119.0 RON
The revenue weight in the total revenues	79.6%	81.4%
Total current revenues (autonomous)	747,491.3	541,878.5
Revenues per Capita	1,878.8 RON	1,365.0 RON
The revenue weight in the total revenues	92.0%	99.3%
Operational revenues	747,758.5	542,027.5
Revenues per Capita	1,879.5 RON	1,365.3 RON
The revenue weight in the total revenues	92.0%	99.3%
Investment revenues	18,123.18	3,881.8
Revenues per Capita	45.6 RON	9.8 RON
The revenue weight in the total revenues	2.23%	0.71%
Total revenues per Capita	2,042.0 RON	1,375.1 RON
Own revenues per Capita	1,657.1 RON	1,139.6 RON
The level of financing from the own revenues	81.2%	83.1%
The degree of self-financing	81.2%	74.8%
The degree of dependency of the local budget to the state budget	66.7%	57.2%
The degree of decisional autonomy	81.2%	83.1%
The degree of achievement of the revenues from the initial budget	108.0%	113.5%
The degree of achievement of the revenues from the final budget	115.6%	113.5%
The degree of achievement of the own revenues from the initial budget	114.6%	124.1%
The degree of achievement of the own revenues from the final budget	110.8%	124.1%
The degree of achievement of the property taxes from the initial budget	100.1%	122.1%
The degree of achievement of the property taxes from the final budget	93.6%	122.1%
The annual estimate from the local tax revenues (maximum probability)	262,603.5	256,271.7
The annual estimate from the local tax revenues (rectified budget)	263,819.0	223,789.0
The degree of achievement of the annual revenues estimated from the local tax revenues	100.5%	87.3%
The collection degree from the initial budget of the revenues from:		
Quotas deducted from the income tax	-	-
Taxes on buildings from the population	99.8%	122.7%
Taxes on land from the population	112.0%	124.0%
Taxes on the means of conveyance from the population	108.3%	127.0%
Taxes on buildings from legal entities	97.5%	118.5%
Taxes on land from legal entities	102.6%	136.9%
Taxes on the means of conveyance from legal entities	105.3%	137.7%
Capita, as of:	397,847	396,988
	01-01-21	01-01-20

- The **Revenues from the tax on property** increased by RON 3,938.5 th (+2.5%), due to the increase in taxes and fees on means of conveyance (+RON 3,034.5 th, +11.4%) and on land (+ RON 819.6 th, +7.3%).
- The **Own tax revenues** are higher by RON 202.335,6 th, mainly as a result of:
 - Increase of the **Quotas and amounts deducted from the income tax** by RON 182.147,1 th (+68.8%);
 - A higher level of revenues from **Other taxes collected**, with an increase of RON 16,257.6 th (+79%), mainly determined by Other taxes and duties (+RON 15,219.7 th, +167.7%). A notable increase of these amounts is found at the level of Fees and charges for the issuance of licenses and authorizations of functioning (+RON 587 th) and at the level of Tax on shows (+RON 317.8 th);
 - Increase of the **Revenues from the tax on property**.
- The **Total current (autonomous) revenues** registers a level with RON 205,612.8 th (+37.9%) higher, as a result of:
 - **Tax revenues**, up by RON 201,778.7 th (+37.9%), with influences from Own tax revenues and Sums deducted from VAT (-RON 556.9 th, -0.6%);
 - **Non-tax revenues**, higher by RON 3,834.1 th (+41.8%), mainly due to the amounts from the Sales of goods and services (+RON 3,329.9 th, +39.8%) and Revenues from property (+RON 504.1 th, +61.5%).
- The **Operational revenues** collected in the analyzed period are by RON 205,731 th (+38%) higher, the evolution being mainly determined by the increase in Current revenues (+RON 205,612.8 th).
- The **Investment revenues** registers a value with RON 14,241.4 th (+366.9%) higher. These revenues are determined by the increase of the Sums received from the UE for the payments performed (+RON 10,884.2 th) and of the Capital subsidies (+RON 3,356.9 th, +96.8%).



Section III: Budgetary expenditures (functional classification)

- The situation of the expenditures performed at 30.06.2022
- The variation of the performed expenditures at Q2 2022 vs. Q2 2021
- Budgetary provisions: the achievement degree of the expenditures at Q2 2022

The situation of the expenditures performed

at 30.06.2022

'000 RON



		2022				2021									
Line	Expenditures	Planned 2022	% /TP	Planned at Q2	% /TP	Revised at Q2	% /CHT	Execution at Q2	% /TP	Planned 2021	% /TP	Planned at Q2	% /TP	Execution at Q2	% /TP
Functional classification		1,388,198.0		752,199.5		702,927.2		812,385.7		1,249,668.2		481,124.4		545,909.2	
1	Public authorities and external actions	240,962.0	16.8	157,801.0	17.8	162,554.0	18.2	45,373.0	10.5	146,241.0	11.4	116,493.0	12.9	45,137.1	10.4
2	Transactions regarding the public debt (interest and fees)	36,401.0	2.5	22,801.0	2.6	23,201.0	2.6	20,839.7	4.8	31,065.0	2.4	17,928.0	2.0	13,131.9	3.0
3	Education	223,573.0	15.6	171,977.0	19.4	191,217.0	21.4	64,901.5	15.0	139,696.0	10.9	123,178.0	13.6	66,191.6	15.2
4	Health	5,036.0	0.4	5,025.0	0.6	2,225.0	0.2	28.7	0.0	310.0	0.0	310.0	0.0	0.1	0.0
5	Culture, recreation and religion	129,329.0	9.0	67,404.0	7.6	64,503.0	7.2	43,878.8	10.1	142,933.0	11.2	70,291.0	7.8	48,014.4	11.0
6	Insurance and social assistance	280,937.0	19.6	174,613.0	19.7	176,785.0	19.8	121,697.9	28.1	248,588.0	19.5	146,414.0	16.2	113,353.4	26.0
7	Housing, public service and development	183,906.0	12.8	90,946.0	10.3	96,652.0	10.8	48,266.9	11.1	268,890.0	21.0	221,569.0	24.5	71,001.1	16.3
8	Environment protection	119,411.0	8.3	81,120.0	9.2	55,934.0	6.3	33,907.1	7.8	105,667.0	8.3	65,667.0	7.3	45,286.8	10.4
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	146,473.0	10.2	72,170.0	8.1	80,590.0	9.0	29,804.4	6.9	134,463.0	10.5	113,469.0	12.5	11,305.1	2.6
11	Other expenditures	68,674.0	4.8	41,834.0	4.7	38,912.0	4.4	24,955.1	5.8	59,844.0	4.7	30,230.0	3.3	22,087.7	5.1
12	Reserves, Surplus / Deficit	-	46,504.0	-	133,491.5	-	189,645.8	-	378,732.6	-	28,028.8	-	424,424.6	-	110,400.1
Economic classification		1,388,198.0		752,199.5		702,927.2		812,385.7		1,249,668.2		481,124.4		545,909.2	
1	Staff costs, of which:	232,234.0	16.2	128,757.0	14.5	130,640.0	14.6	103,896.9	24.0	188,338.0	14.7	106,504.0	11.8	90,642.5	20.8
	without those for Education and Insurance and social assistance	93,984.0	6.6	50,304.0	5.7	49,745.0	5.6	39,798.4	9.2	66,120.0	5.2	35,629.0	3.9	30,444.4	7.0
2	Social assistance	89,645.0	6.2	51,800.0	5.8	52,935.0	5.9	41,039.1	9.5	76,106.0	6.0	42,741.0	4.7	33,497.1	7.7
3	Subsidies	5,200.0	0.4	3,000.0	0.3	3,000.0	0.3	1,917.9	0.4	4,500.0	0.4	2,500.0	0.3	1,773.2	0.4
4	Goods and services	446,963.0	31.2	307,459.0	34.7	257,704.0	28.9	125,846.8	29.0	383,192.0	30.0	252,929.0	27.9	172,713.5	39.7
5	Capital expenditures	290,206.0	20.2	125,789.0	14.2	174,291.0	19.5	40,486.3	9.3	347,640.0	27.2	326,388.0	36.0	39,931.7	9.2
6	Interest	36,400.0	2.5	22,800.0	2.6	23,200.0	2.6	20,838.7	4.8	31,065.0	2.4	17,928.0	2.0	13,131.9	3.0
7	Loan reimbursements	72,000.0	5.0	40,000.0	4.5	41,000.0	4.6	33,171.3	7.6	83,600.0	6.5	42,000.0	4.6	36,780.3	8.4
8	Current transfers	66,172.0	4.6	37,320.0	4.2	36,955.0	4.1	26,089.9	6.0	54,303.0	4.3	28,916.0	3.2	22,650.2	5.2
9	Internal transfers	26,312.0	1.8	15,478.0	1.7	15,006.0	1.7	12,519.3	2.9	25,789.0	2.0	15,473.0	1.7	12,870.9	3.0
10	Projects financed from non-reimbursable external funds	112,656.0	7.9	110,689.0	12.5	114,085.0	12.8	5,207.3	1.2	35,452.0	2.8	30,998.0	3.4	800.0	0.2
11	Other expenditures	56,914.0	4.0	42,599.0	4.8	43,757.0	4.9	22,639.6	5.2	47,712.0	3.7	39,172.0	4.3	10,717.8	2.5
12	Reserves, Surplus / Deficit	-	46,504.0	-	133,491.5	-	189,645.8	-	378,732.6	-	28,028.8	-	424,424.6	-	110,400.1
Total payments (TP) <i>(total expenditures performed without considering the periods' result)</i>		1,434,702.0		885,691.0		892,573.0		433,653.1		1,277,697.0		905,549.0		435,509.2	
Operational expenditures		899,539.0	62.7	573,433.0	64.7	527,184.0	59.1	333,323.8	76.9	769,325.0	60.2	477,632.0	52.7	344,830.3	79.2
Investment expenditures		426,759.0	29.7	249,454.0	28.2	301,188.0	33.7	46,318.4	10.7	393,672.0	30.8	367,954.0	40.6	40,731.7	9.4
Financial expenditures		108,404.0	7.6	62,804.0	7.1	64,201.0	7.2	54,011.0	12.5	114,700.0	9.0	59,963.0	6.6	49,947.2	11.5
Total of the Operating Section		1,007,943.0	70.3	636,237.0	71.8	591,385.0	66.3	387,334.8	89.3	884,025.0	69.2	537,595.0	59.4	394,777.5	90.6
Reserves, surplus/deficit for the operating section		-	0.0	-	72,704.5	-	1,478.2	-	354,347.1	-	0.2	-	125,876.6	-	105,609.3
Total of the Development Section		426,759.0	29.7	249,454.0	28.2	301,188.0	33.7	46,318.4	10.7	393,672.0	30.8	367,954.0	40.6	40,731.7	9.4
Reserves, surplus/deficit for the development section		-	46,504.0	-	60,787.0	-	188,167.7	-	24,385.5	-	28,029.0	-	298,548.0	-	4,790.8

The budget was not rectified by the end of Q2 2021;

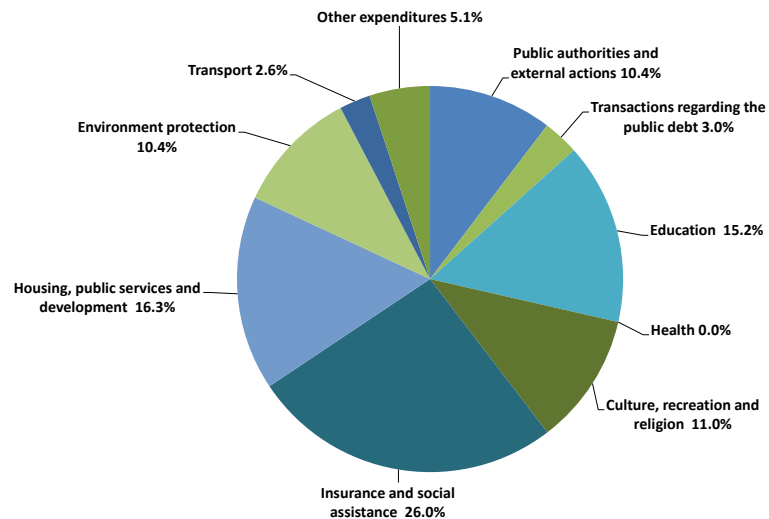
The variation of the performed expenditures at Q2 2022 vs. Q2 2021

Functional classification

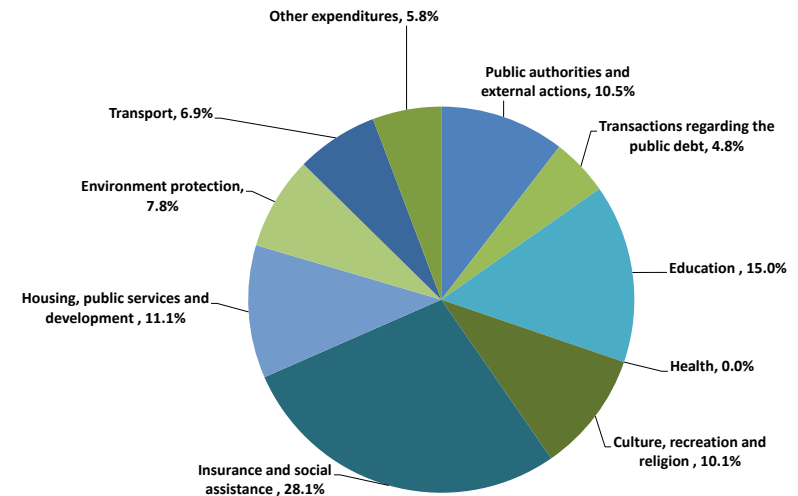
'000 RON



The structure of the payments performed at Q2 2021



The structure of the payments performed at Q2 2022



The level of payments is going down by RON 1,856.1 th (-0.4%) in comparison to the budget execution of the reference period of the previous year.

- Within the chapter **Housing, services and public development**, it is noted the decrease of payments by RON 22,734.2 th, (-32%), influences coming from the paragraph Other services in the fields of housing, for which the payments made decreased by RON 24,544.8 th (-96.3%), of the subchapter Other services in the fields of housing, services and communal development (-RON 5,270 th), while for the paragraph Development of the housing system, higher payments were registered by RON 7,080.8 th.
- At the level of the **Environment protection** chapter, lower payments are registered by RON 11,379.7 th (-25.1%). In full from the Sanitation paragraph.
- Within the chapter **Culture, recreation and religion**, there is a decrease of RON 4,135.6 th (-8.6%), influences coming from the paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 5,091.3 th, -10.9%), from the subchapter Other services in the fields of culture, recreation and religion (+RON 755.7 th, +89.3%) and Religious services (+RON 200 th, +33.3%).
- Within the **Education** chapter, the payments made at Q2 2022 decreased by RON 1,290 th (-1.9%) compared to the value recorded in the same period of the previous year, the dynamics being the following: Preschool and Primary Education (- RON 5,182.3 th), Other expenses in the field of education (- RON 354.8 th) and Secondary Education (+RON 4,149.8 th).
- For the **Transport** chapter, higher payments are recorded by RON 18,499.2 th (+163.6%), in full at the level of the Streets paragraph.
- Another increase of payments at Q2 2022 is observed in the **Insurance and social assistance** chapter (+RON 8,344.5 th, +7.4%). This increase is influenced by higher payments for Social assistance for the disabled (+RON 6,392.1 th, +15.1%), Social assistance (+RON 1,797.2 th, +144.9%) and Other expenditures in the insurance and social assistance field (+RON 945.3 th, +2.7%).
- Another significant increase is found in the chapter **Transactions regarding the public debt** (+RON 7,708.8 th, +58.7%).
- For the **Other expenditures** group of chapters is observed an increase of RON 2,867.4 th (+13%), mainly due to payments for Local police (+RON 1,716.5 th, +9.3%) and Community public services for persons evidence (+RON 1,210.5 th, +35.9%).

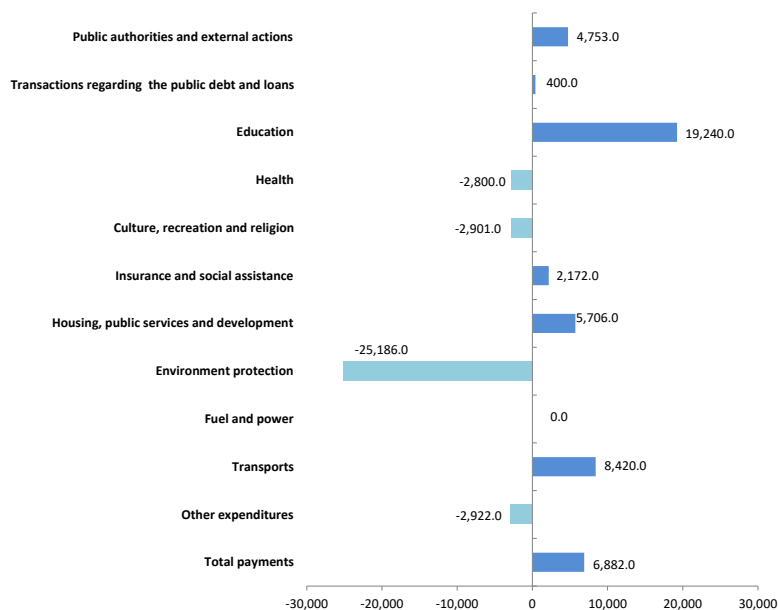
Budgetary provisions

Functional classification

'000 RON



Functional expenditures revision as compared to the initial provisions



The budget rectification at Q2 2022 concerned an increase of the provisions by 0.8% (+RON 6,882 th), thus including allocations for the first half of the year in the amount of RON 892,537 th (without taking into account the forecasted result of the period). Thus, the budgetary rectification was:

- Budget allocations higher by RON 19,240 th within the **Education** chapter, up to the value of RON 191,217 th, considering the allocations for: Secondary Education (+RON 10,958 th, +22.2%), Preschool and Primary Education (+RON 8,015 th, +7.7%), Special Education (+RON 739 th) and Other expenses in the field of education (-RON 472 th, -3.1%).
- Provisions increased by RON 8,420 th within the **Transport** chapter, by increasing by RON 7,854 th the allocations for Streets and including the value of RON 566 th at the level of the Roads and Bridges paragraph (without initial provisions).
- For the Chapter **Housing, public services and development**, the final provisions are worth RON 96.652 th, over the initial ones with RON 5.706 th. For Other expenses in the field of housing, the initial values were increased by RON 5,500 th, followed by those for Other services in the fields of housing, services and communal development, higher by RON 1,006 th, while lower final provisions were included by RON 1,000 th for water supply.
- **Public authorities and external actions**, chapter that includes total provisions in the amount of RON 162,554 th, these being with RON 4,753 th over the initial allocations (+3%).
- Within the **Insurance and Social Assistance** chapter, the final provisions were increased by RON 2,172 th (+1.2%). The dynamics are generated by the following changes: Other expenses in the field of social assistance (+RON 1,168 th, +2.1%), Nurseries (+RON 921 th, +3.6%), Social assistance for family and children (+RON 205 th, +1%), Medical-social assistance units (-RON 163 th, -3%).
- For the **Environment protection** chapter, the budget rectification reduced the allocations to RON 55,934 th, which are RON 25,186 th (-31%) below the level included in the initial budget. Thus, provisions for Sanitation were reduced by RON 26,356 th, and for Collection, treatment and destruction of waste were increased by RON 1,170 th.
- **Culture, recreation and religion**, chapter for which the initial provisions were diluted by RON 2,901 th (-4.3%), at the level of the paragraph Maintenance of public gardens, parks, green areas, sports and leisure bases (-RON 2,401 th RON) and of the subchapter Other services in the fields of culture, recreation and religion (-RON 500 th).
- For the **Health** chapter, the final provisions for S1 2022 amount to RON 2,225 th, being 55.7% below the initial level, entirely at the level of the paragraph Other institutions and sanitary actions.

Budgetary provisions

Functional classification

'000 RON



For 2022, the last budget amendment in Q2 2022 includes provisions with RON 16,607 th (+1.2%) above the initial level, changes being found at the level of the following expenditure chapters:

- **Transport** (+ RON 14.050 th, +9.6%), by increasing the provisions for the paragraph Streets (+RON 13.484 th) and Roads and Bridges (+RON 566 th);
 - The list of investments related to the amended budget provides objectives in the amount of RON 136,663 th, fully financed from the local budget. Specifically, the list of investments aims at works to improve the infrastructure at the level of streets and parking lots, including studies and projects.
- **Culture, recreation and religion** (+RON 6.463 th, +5%), given that the allocations for the Maintenance of public gardens, parks, green areas, sports and leisure bases (+RON 7.613 th) were increased and those for other services in the fields of culture, recreation and religion were reduced (-RON 1.150 th);
 - During 2022, the list of investments related to the amended budget provides for investments totalling RON 80,603 th, respectively RON 53,354 th from the local budget and RON 27,249 th from internal credits. The investments are oriented towards infrastructure works, modernization of cultural objectives, studies and independent facilities.
- **Housing, public services and development** (+RON 5,925 th, +3.2%), as follows: Housing (+RON 7,040 th), Water supply and pumping stations (-RON 2,435 th), Public lighting and electrifications (+RON 1,000 th);
 - According to the list of investments that accompanies the amended budget, the works related to 2022 are worth RON 121,090 th, respectively RON 98,054 th from the local budget, RON 215 th from non-reimbursable external funds, RON 2,526 th from external credits and RON 20,295 th from the budget of institutions financed entirely from own revenues. The main objective financed under this chapter refers to the thermal rehabilitation of residential blocks in order to increase energy efficiency. To these works are added the expenses related to the studies/projects.
- **Education** (+RON 5.261 th,+2.4%), the dynamics of allocations being reflected as follows: Other expenses in the field of education (+RON 3.695 th), Preschool and primary education (+RON 2.198 th), Secondary education (-RON 632 th);
 - According to the list of investments related to the final budget, the foreseen investments are worth RON 132,037 th, respectively RON 21,107 th from the local budget, RON 17,180 th from non-reimbursable external funds, RON 93,480 th from external credits and RON 270 th from the budget of institutions financed entirely from own revenues. The main objectives include school construction, design works, studies/expertise and independent facilities.
- **Health** (+RON 1,500 th, +29.8%), entirely at the level of the paragraph Other sanitary establishments and actions;
 - For the Health chapter, the final budget includes allocations related to investments entirely from the local budget in the amount of RON 6,536 th, mostly for new works.
- **Public authorities and external actions** (-RON 10,481 th, -4.3%);
 - The list of investments related to the amended budget provides for investments worth RON 86,975 th at the level of the year, respectively RON 32,289 th from the local budget and RON 54,686 th from non-reimbursable external funds.
- **Environment protection** (-RON 4,384 th, -3.7%), changes in the initial surveys are noted for: Sewerage and wastewater treatment (-RON 7,454 th); Sanitation and waste management (+RON 3.070 th);
 - The list of investments for 2022 provides allocations in the amount of RON 20,322 th within this chapter, financed entirely from the local budget and own revenues. The main objectives refer to the elaboration of studies and projects in order to achieve the waste collection points / stations.
- Group of chapters that form **Other expenditures** (-RON 2,417 th, -3.5%), the reduction of the initial provisions being found at the level of the Budget Reserve Fund at the disposal of the local authorities.



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

The payments made during the first quarter are amounting to RON 433,653.1 th, respectively with RON 458,919.9 th below the level of budgetary provisions (recording an achievement degree of 48.6%).

- Within the **Education** chapter, the payments are with RON 126,315.5 th below the level of estimates, registering an execution rate of 33.9% determined by lower expenses for preschool and primary education (-RON 93,381.1 th, -83.2%), the secondary one (-RON 28,601.8 th, -47.7%), Other expenses in the field of education (-RON 2,484.9 th, -16.6%) and the special one (-RON 1,544 th, -46.9%).
- At the level of the chapter **Public authorities and external actions**, the payments are with RON 117,181 th below the level of estimates, respectively registering an execution degree of 27.9%.
- Within the **Insurance and Social Assistance** chapter, payments are with RON 55,087.1 th below the level of estimates, registering an execution rate of 68.8% and influences from Other expenses in the field of social assistance (-RON 20,219.3 th, -35.9%), Nurseries (-RON 14,195.7 th, -54%), Social assistance in case of disability (-RON 7,676.7 th, -13.6%), Social assistance for family and children (-RON 7,224.5 th, -36.4%), and that granted to the elderly (-RON 4,213.7 th, -49.9%).
- Within the **Transport** chapter, the payments are with RON 50,785.6 th below the level of estimates, registering a degree of execution of 37% majority determined by the execution of payments at the level of the Streets paragraph.
- Within the chapter **Housing, public services and development** are recorded payments with RON 48,385.1 th below the estimated level, with a degree of execution of 49.9% determined by lower expenses with Other expenses in the field of housing (-RON 22,761.6 th), Other services in the fields of housing, services and communal development (-RON 18,318 th, -32.3%) and Housing system development (-RON 5,043.4 th, -36%). At the same time, it is noted the absence of payments for and water supply (RON 2.062 th provided in the final budget).
- Within the **Environment Protection** chapter, the payments are with RON 22,026.9 th below the level of estimates, registering a degree of execution of 60.6% determined by lower expenses for Sanitation (-RON 19,736.9 th, -36.8%) and by the absence of those for waste collection, treatment and destruction (final provisions worth RON 1,780 th) and those for Sewerage and wastewater treatment (provisions of RON 510 th).
- The expenses incurred under the chapter **Culture, Recreation and Religion** are by RON 20,624.2 th below the level of planning, with an execution rate of 68% and influences from the Maintenance of public gardens, parks, green areas, sports and leisure facilities (-RON 18,959.6 th, -31.4%), Religious services (-RON 1,200 th, -60%) and Other services in the fields of culture, recreation and religion (-RON 464.6 th, -22.5%).
- Group of chapters **Other expenditures** register values with RON 13,956.9 th below the level of budgetary provisions, respectively an execution degree of 64.1% determined mainly by payments for local police (- RON 12,549.6 th, -38.4%).
- The expenses incurred under the chapter **Transactions regarding the public debt and loans** are with RON 2,361.3 th below the level of estimates, registering a degree of execution of 89.8%.
- For the **Health** chapter, the payments made are worth RON 28.7 th, being with RON 2,196.3 th below the level provided in the final budget (degree of execution of 1.3%), the dynamics being related entirely to the paragraph Other institutions and sanitary actions.



Section III: Budgetary expenditures (economic classification)

- The variation of the performed expenditures at Q2 2022 vs. Q2 2021
- Budgetary provisions: the achievement degree of the expenditures at Q2 2022
- Expenditures ratios

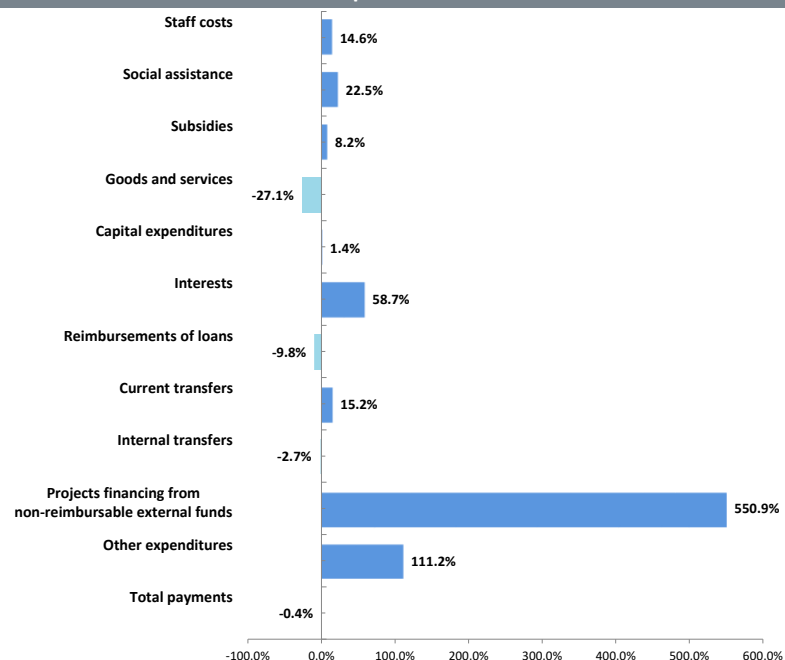
The variation of the performed expenditures at Q2 2022 vs. Q2 2021

Economic classification

'000 RON



Economic expenditures variation



▪ The **Operational expenditures** register a level by RON 11,506.5 th (-3.3%) lower that of the same period of the previous year, as a result of:

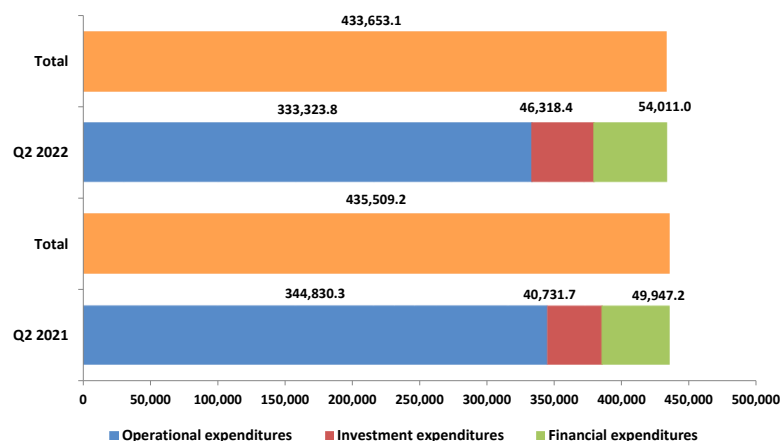
- A lower level of payments for **Goods and services** (without taking into account Commissions and costs related to loans) by RON 46,832.7 th (-27%). The evolution is mainly highlighted at the level of payments for Other materials and services for maintenance and functioning (-RON 21,383.2 th, -36.1%), Current repairs (-RON 15,104.3 th, -61.1%), Materials and services of functional character (-RON 7,671.7 th, -16.4%), Goods of the nature of inventory objects (-RON 5,605.1 th RON, -80.1%), Other expenses with goods and services (-RON 3,152.2 th, -47.2%) and Heated, illuminated and motor force (+RON 2,968.3 th, +22.7%).
- Increase of the group **Other operational expenses** (+RON 13,464.1 th, +132.3%), with majority influences from the paragraphs Scholarships (+RON 13,271.4 th RON, +144.1%) and Support of Cults (+200 th RON, +33.3%);
- Increase in **Staff costs** (+13,254.4 th RON, +14.6%) mainly determined by the increase in Base Salaries (+9,043.1 th RON, +11.5%) and the registration of payments amounting to 3,474.8 th RON at the level of Salary Expenses in kind (without values at Q2 2021).
- Increase of payments for **Social Assistance** (+7,542 th RON, +22.5%), influences coming from within the paragraphs Social aid in cash (+5,762.3 th RON, +18.3%) and in kind (+1,779.7 th RON, +88.1%);
- A higher level of **Current transfers** (+3,439.7 th RON, +15.2%), fully determined by transfers to public institutions;
- Increase of **Subsidies** (+144.7 th RON, +8.2%), in full at the level of Other Subsidies;

▪ **Investment expenditures** register a value of RON 5,586.6 th (+13.7%) higher than the execution of the previous reference period. Thus, these payments are mainly represented by the following titles:

- **Projects financed from non-reimbursable external funds** (+4,407.3 th RON, +550.9%) related to the financial framework 2014-2020, mainly Programs from the European Social Fund and the Regional Development Fund.
- **Capital transfers** amounted to RON 743 th in the first half of 2022, without such payments at Q2 2021, fully represented by Other capital transfers to public institutions.
- **Capital expenditures** (+554.6 th RON, +1.4%), with influences from the paragraphs Capital repairs related to fixed assets (with payments amounting to 16,153.4 th RON at Q2 2022, but without registrations in execution at Q2 2021), Other fixed assets (+1,451.7 th RON, +90.8%), Machinery, equipment and means of transport (+1,042.1 th RON, +141.3%) and Constructions (-18,151.5 th RON, -50.7%).

▪ **Financial expenditures** register an increase of RON 4,063.8 th (+8.1%), respectively **Interests** are higher by RON 7,706.8 th (+58.7%) due to major fluctuations of indices on the domestic banking market. At the same time, **Loans reimbursements** decreased by RON 3,609 th (-9.8%) as a result of the refinancing of two domestic credit facilities in November 2021.

Structure of expenditures



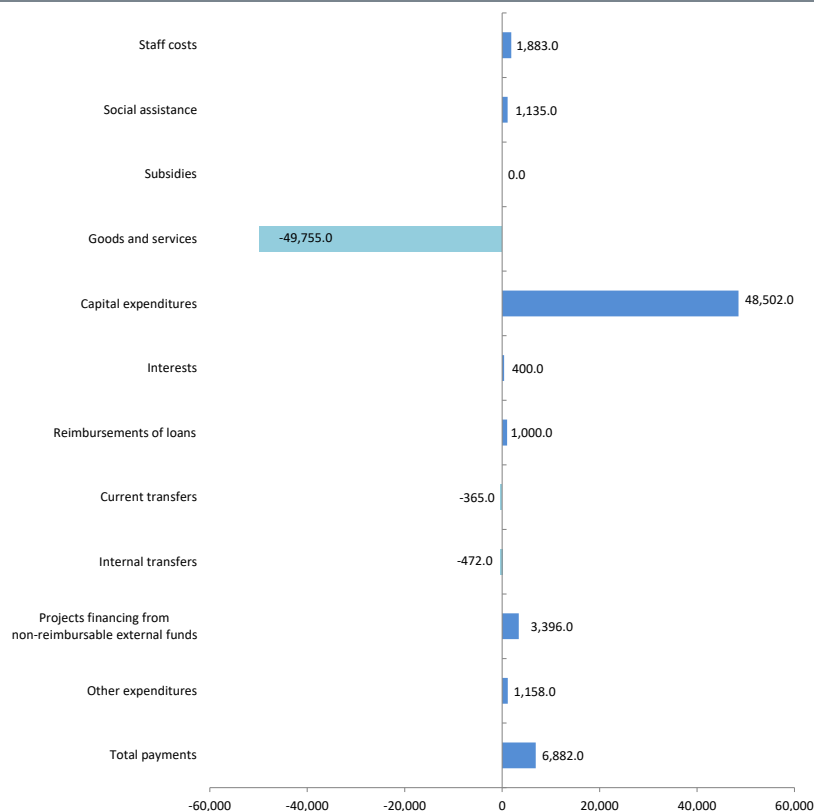
Budgetary provisions

Economic classification

'000 RON



Economic expenditures revision as compared to the initial provisions



- Through the last budget amendment in the second quarter, at the level of **Operational expenditures**, for the first semester of the current year, provisions with RON 46,249 th were included below the level of those in the initial budget, respectively a total value of RON 527,184 th. Dynamics are determined by the following changes:
 - Goods and services**, with final provisions lower by RON 49,755 th (-16.2%), mainly at the level of the following lines: Current repairs (-RON 36,409 th, -45.2%); Materials and services with functional character (-RON 25,468 th, -29.7%); Other expenditures on goods and services (-RON 1,864 th, -19.7%); Heated, Lighting and motor force (+RON 7,453 th, +40.2%); Water, sewerage and sanitation (+RON 1,504 th, +29.9%); Consultancy and expertise (+RON 1,300 th, +31.2%).
 - The Emergency fund for local authorities** included in the initial budget at the value of RON 3,000 th, was no longer provided for in the budget rectification.
 - For **Current transfers**, payments with RON 365 th (-1%) below the initial level were provided, and the financing of accredited private or confessional education received lower allocations of RON 472 th compared to the initial provisions.
 - For the title **Other expenditures** were included final provisions increased by RON 4,687 th (+17.1%) above the level of initial allocations, mostly at the level of scholarships (+RON 3,567 thousand) and scientific and social-cultural actions (+RON 1,150 th).
 - Staff costs** with estimates increased in the final budget to the value of RON 130,640 th (+RON 1,883 th, +1.5%), by increasing the allocations for Base Salaries (+RON 3,751 th) and holiday vouchers (+RON 1,766 th) and the decrease of those for the Fund related to the hourly payment (-RON 2,050 th) and other salary rights in kind (-RON 1,597 th)
 - Social assistance**, includes final provisions by RON 1,135 th over the value included in the initial budget (+2.2%), exclusively by increasing the ceiling for Social benefits in cash.
- The **Investment expenditures** were included in the amended budget at the value of RON 301,188 th, respectively by RON 51,734 th over the initially planned provisions (+20.7%). The dynamics are reflected as follows:
 - Capital expenditures** with a ceiling increased by RON 48,502 th (+38.6%), including allocations for capital repairs related to fixed assets in the amount of RON 48,500 th (without provisions in the initial budget). Also, the provisions for Machines, equipment and means of transport were increased by RON 3,448 th (+66.6%) respectively by RON 2,929 th for Other fixed assets (including capital repairs) and decreased by RON 7,476 th for Constructions.
 - For projects financed from non-reimbursable external funds**, provisions worth RON 114,085 th were included in the final budget, which amounted to RON 3,396 th over the initial allocations, in full for the financial framework 2014-2020.
 - Capital transfers** were allocated in the final budget by RON 100 th compared to the initial ceiling, entirely at the level of Other capital transfers to public institutions.
- For the **Financial expenditures**, the initial provisions were rectified by increasing by RON 1,397 th, taking into account that for **Loans reimbursements** the allocations were higher by RON 1,000 th, for **Interests** by RON 400 th and for **Commissions and other costs for debts** lower by RON 3 th.

Budgetary provisions

Economic classification

'000 RON



At the level of 2022, from the point of view of the economic classification, the last budget amendment in Q2 2022, provides for changes at the level of the following groups:

- **Investment expenses** (+RON 85.107 th, +19.9%), the changes being distributed as follows: Capital expenditures (+RON 71.532 th: Capital repairs related to fixed assets +RON 87.500 th, Constructions -RON 18.597 th); Capital transfers (+RON 10,128 th, respectively Other capital transfers to public institutions), Projects financed from non-reimbursable external funds (+RON 3,511 th);
- **Operational expenses** (-RON 68.497 th, -7.6%), with influences on the final allocations for: Goods and services (-RON 73.718 th, -16.5%: Current repairs -RON 59.200 th, Materials and provision of services with functional character -RON 13.022 th), Budget reserve fund at the disposal of local authorities (-RON 2.500 th), Staff costs (-RON 1.180 th), Current transfers (+RON 3.800 th), Internal transfers (+RON 3.695 th), Other expenses (+RON 1.150 th), Social assistance (+RON 502 th).



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

- The **investment expenses** reach a level of payments with RON 254,869.6 th (execution degree of 15.4%) below the final allocations and are distributed as follows:
 - **Capital expenditures** are by RON 133,804.7 th (-76.8%) below the estimated level, the main variation coming from the payments for Constructions (- RON 59,543.5 th, 77.2%), Capital repairs for fixed assets (-RON 32,346.6 th, -66.7%) and Other fixed assets (capital repairs are also included) (-RON 27,121.2 th, -89.9%);
 - **Projects financed from non-refundable external funds** register payments with RON 108,877.7 th (-95.4%) below the level of estimates, the influences being observed mainly at the level of the Programs from the European Fund for Regional Development (-RON 103,05.6 th, -98%) and from the European Social Fund (-RON 4,106.4 th, -60.6%);
 - **Capital transfers**, with a minor execution comparret to the budgetary provisions amounting to RON 12,133 th (-94.2%, in full at the level or Othrer capital transfers to public institutions).
- **Operational expenditures** are by RON 193,860.2 th below the estimated level, with an execution degree of 63.2%. A smaller amount of expenditures are reflected in the following titles:
 - **Goods and services**, the expenditures being by RON 131,857.2 th (-51.2) under the estimated level. The dinamic is mainly reflected at the level of: Other goods and services for maintainance and functioning (-RON 38,602.5 th, -50.5%), Current repairs (-RON 34,475.1 th, -78.2%), Materials and other services with functional character (-RON 21,229.5 th, -35.3%), Heated, illuminated and motor force (-RON 9,940.7 th, -38.2%), Goods of the nature of inventory objects (-RON 6,411.3 th, -82.2%);
 - **Staff costs**, are by RON 26,743.1 th (-20.5%) below the bugetary provisions. Influences are mainly from Base salaries (-RON 18,552.2 th, -17.5%) and Bonuses for working conditions (-RON 1,408.1 th, -25.9%). It is also noted the absence of amounts for the Fund related to the hourly payment (provisions of RON 3,020 th);
 - **Social assistance**, the registered payments being with RON 11,895.9 th (-22.5%) below the budget level, due to a low level of the Social support in cash (-RON 8,796 th, -19.1%) and in kind (-RON 3,099.9 th, -44.9%);
 - **Current transfers**, the registrations being with RON 10,865.1 th below the level of budgetary provisions (-29.4%), with influences enitrely from Transfers to public institutions.
 - **Other expenditures**, with an execution of RON 8,447 th (-26.3%) below provisions and influences mainly from payments for Scholarships (-RON 2,918.2 th, -11.5%) and Cults'support (-RON 1,200 th, -60%). Also, it is noted the lack of payments for Science and social-cultural actions (RON 2,150 th in provisions), and Youth programm (RON 1,000 th in provisions);
 - **Internal transfers**, with a lower level of payments by RON 2,486.7 th (-16,6%), mainly at the level of the paragraph Financing of private or confessional accredited education.
- The **Financial expenditures** are by RON 10,190 th (achievement degree of 84.1%) below the estimated level, the influences coming from the **Loans reimbursements** (-RON 7,828.7 th, 19.1%) and for **Interests** (-RON 2,361.3 th, -10.2%).

Expenditures ratios

at Q2 2022, as compared to Q2 2021

'000 RON



	Q2 2022	Q2 2021	
Total staff costs	103,896.9	90,642.5	<ul style="list-style-type: none"> The Total staff costs incurred in Q2 2022 register an increase of RON 13,254.4 th, compared to the previous period, the dynamics being impacted by the increase of the Base salaries (+RON 9,043.1 th, +11.5%) and RON 3,474.8 th for Holiday Vouchers (without payments at Q2 2021).
Expenditures per Capita	261.1 RON	228.3 RON	
The expenditure weight in the operational expenditures	31.2%	26.3%	<ul style="list-style-type: none"> The Current compulsory expenditures increase by RON 20,796.4 th compared to the level reached in Q2 2021, as a result of: <ul style="list-style-type: none"> A higher level of payments for Social assistance (+RON 7,542 th, +22.5%); Increase in Total staff costs.
Staff costs for insurance and social assistance	63,808.9	59,722.7	
Expenditures per Capita	160.4 RON	150.4 RON	<ul style="list-style-type: none"> The Operational expenditures incurred register a level with RON 11,506.5 th (-3.3%) lower than the execution for the period Q2 2021, the evolution being determined by: <ul style="list-style-type: none"> A lower level of payments for Goods and services (without taking into account commissions and other costs related to loans) by RON 46,832.7 thousand (-27%). Group growth Other operational expenses (+RON 13,464.1 th, +132.3%); Increasing payments for Social Work; Increase in personnel expenses; A higher level of Current Transfers (+RON 3,439.7 th, +15.2%);
The expenditure weight in the operational expenditures	19.1%	17.3%	
Current compulsory expenditures	144,936.1	124,139.7	<ul style="list-style-type: none"> The expenses for financing the debt service in S1 2022 register an increase of RON 4,063.8 th (+8.1%), respectively the interest rates are higher by RON 7,706.8 th (+58.7%) while the repayments of loans decreased by RON 3,609 th (-9.8%).
Expenditures per Capita	364.3 RON	312.7 RON	
The expenditure weight in the operational expenditures	43.5%	36.0%	<ul style="list-style-type: none"> The total expenditures on investments made during the first semester of the current year are increasing by RON 5,586.6 th (+13.7%) and are mainly represented by Projects financed from non-reimbursable external funds (+RON 4,407.3 th, +550.9%) related to the financial framework 2014-2020, Capital transfers amounting to RON 743 th (without such payments at Q2 2021) and Capital Expenditures (+RON 554.6 th, +1.4%).
Operational expenditures	333,323.8	344,830.3	
Expenditures per Capita	837.8 RON	868.6 RON	
The expenditure weight in the total expenditures	76.9%	79.2%	
Expenditures on debt service financing	54,011.0	49,947.2	
Expenditures per Capita	135.8 RON	125.8 RON	
The expenditure weight in the total expenditures	12.5%	11.5%	
Total investment expenditures	46,318.4	40,731.7	
Expenditures per Capita	116.4 RON	102.6 RON	
The expenditure weight in the total expenditures	10.7%	9.4%	
The expenditures' rigidity	24.0%	20.8%	
The weight of the payments from the operating section in the total payments	89.3%	90.6%	
The weight of the payments from the development section in the total payments	10.7%	9.4%	
The deficit/surplus of the operating section	354,347.1	105,609.3	
The deficit/surplus of the development section	24,385.5	4,790.8	
The weight of the local public debt service in the total made payments	12.5%	11.5%	
Maximum annual debt	237,777.8	202,362.0	
Net direct debt	134,342.1	101,801.9	
Direct indebtedness level	13.1%	14.9%	
Net public debt	118,138.6	93,235.0	
Public indebtedness level	15.1%	16.2%	
The total expenditures achievement degree from the initial budget	49.0%	48.1%	
The achievement degree from the initial budget of the:			
Operational expenditures	58.1%	72.2%	
Staff costs	80.7%	85.1%	
Current compulsory expenditures	80.3%	83.2%	
Expenditures on debt service financing	86.0%	83.3%	
Investment expenditures	18.6%	11.1%	
The funds absorption level of the total expenditures	53.4%	79.8%	
Investment expenditures / Operational revenues	5.4%	7.4%	
	Capita,	397,847	396,988
	as of:	01-01-21	01-01-20



Section IV

- Balance Sheet
- Local Public Debt Service

Balance Sheet

at 30.06.2022

'000 RON



Balance Sheet	30-6-2021	31-12-2021	30-6-2022
Current assets	861,753.0	1,044,727.0	984,227.7
Cash and cash equivalent	316,154.7	158,636.1	480,012.3
Inventories	119,848.2	119,690.9	122,853.2
Receivables	425,749.9	766,400.0	381,360.8
Short term investments	-	-	-
Other current assets	0.2	-	1.4
Fixed assets	8,564,258.1	8,220,011.0	8,555,718.9
Intangible assets	4,037.5	6,003.1	6,953.6
Tangible assets	8,553,630.6	8,207,389.5	8,541,430.7
Other fixed assets	6,590.0	6,618.4	7,334.6
Total assets	9,426,011.1	9,264,737.9	9,539,946.6
Current liabilities	84,808.3	465,963.5	81,472.9
Debts to banks	3,337.1	-	6,231.9
Accounts payable	50,551.0	424,424.6	39,037.2
Short term provisions	30.3	-	-
Other short term debts	30,889.9	41,538.9	36,203.7
Long term debts	1,419,521.1	1,436,637.9	1,413,628.7
Long term loans	1,358,544.8	1,426,759.6	1,405,486.3
Other long term debts	60,876.3	9,778.3	8,042.3
Provisions	100.0	100.0	100.0
Equity and reserves	7,921,681.7	7,362,136.6	8,044,845.1
Total liabilities	9,426,011.1	9,264,737.9	9,539,946.6
Current liquidity ratio (Current assets / Current liabilities)	10.2	2.2	12.1
Indebtedness level (Borrowed capital / Total liabilities)	14.4	15.4	14.7

- Total assets increased by RON 275,208.7 th (+3%) compared to the level recorded at the end of 2021, as a result of an accelerated increase in fixed assets (+RON 335,708 th, +4.1%), in contrast to the decrease in Current Assets (-RON 60,499.3 th, -5.8%).
- The increase of the fixed assets is mainly determined by a higher level of the tangible ones (+RON 334,041.2 th, +4.1%), with major influences from buildings and land.
- The decrease in current assets is mainly determined by a lower level of receivables (-RON 85,039.2 th, -50.2%). In contrast, Cash and cash equivalents increase by RON 321,376.2 th (+202.6%).
- The balance of payment debts up to one year decreased by RON 384,490.6 th (-82.5%), especially at the level of Commercial Debts (-RON 385,387.3 th, -90.8%) and other debts (-RON 5,335.2 th, -12.8%), while debts to banks amounting to RON 6,231.9 th are recorded (no balance at Q4 2021).
- Capital registers an increase of RON 682,708.5 th (+9.3%).
- Long-term payment liabilities are decreasing at the end of the reporting period (-RON 23,009.2 th, -1.6%), given the decrease in the balance of Debts to banks (-RON 21,273.3 th, -1.5%).
- The current liquidity indicator is 12.1 at the end of the first six months of 2022, compared to 2.2 at the end of 2021, as a result of the decrease of the Payment Liabilities up to one year (-1.6%), corroborated with the decrease in current assets (-5.8%).

Debt and liquidity	30-06-22	Sume de plata	30-06-22
New credit withdrawals in the period	10,787.5	Payout 2Y - 2 years	273,564.4
Direct debt service	44,570.6	Payout 5Y - 5 years	752,277.2
Direct indebtedness rate	5.6%	Payout 10Y - 10 years	1,365,875.5
Public debt service	50,392.1	Payout 15Y - 15 years	1,675,811.9
Public indebtedness rate	6.4%	Payout 20Y - 20 years	1,808,657.6
Public Debt Service as % of Operational Revenues	6.7%	Total revenues per capita	2,042.0 RON
Public Debt Service as % of Operational Expenditures	15.1%	Own revenues per capita	1,657.1 RON
Long term debt % Own Funds	17.5%	Public Debt Service per capita	126.7 RON
Long term debt / Own Revenues (1.x)	2.1	Long-term loans per capita	3,532.7 RON

	2021 ¹⁾	2022 ²⁾	2023 ³⁾	2024 ³⁾	2025 ³⁾
Total revenues	1,068,418.5	1,404,805.0	1,418,853.1	1,433,041.6	1,447,372.0
Own revenues ⁴⁾	873,955.1	1,025,401.0	1,035,655.1	1,046,011.6	1,056,471.7
Indebtedness capacity	202,362.0	237,777.8	270,703.3	293,501.1	310,706.8
Public debt service ⁵⁾	103,515.7	119,639.3	138,048.3	138,257.6	146,726.4

1) Revenues collected as of 31.12.2021

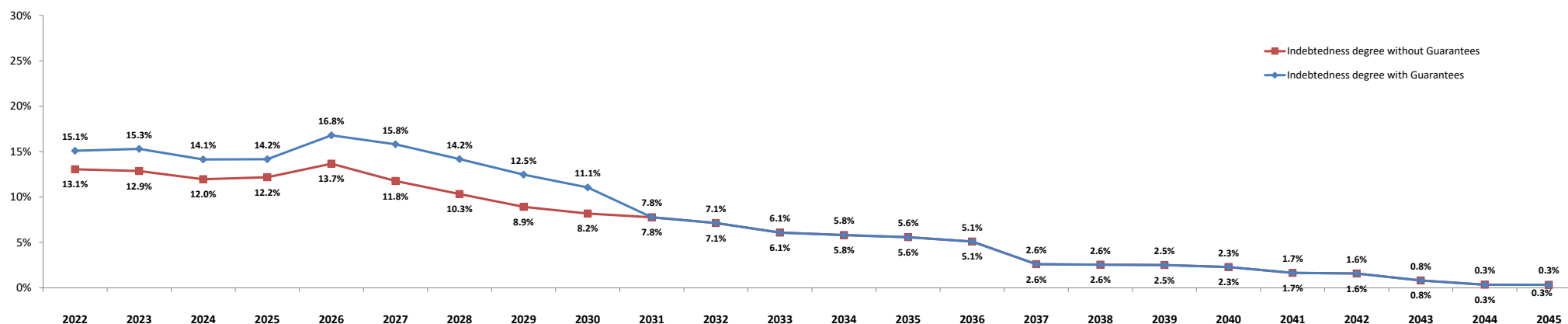
2) Revenues planned in the budget for 2022

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 2022 - 2025, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30.06.2022

Indebtedness level forecasted for the period of 2022 - 2045



- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 30.06.2022, 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.

Glossary of terms



The operating section	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;
The development section	The complementary section of the local budget, including income and capital expenditures related to implementation of the local development policies;
Own revenues*	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);
Operational revenues	The difference between Total revenues, Investment revenues and Financial Revenues OR The Sum of Current Revenues (00.02) and Current Subsidies (00.20);
Operational Expenditures	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;
Investment revenues	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);
Investment expenditures	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-reimbursable external funds 2014 - 2020 (58) and of the Capital transfers (51);
Total payments made	Total expenditures incurred without considering the result of the period;
Taxes supporting the debt	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;
Financial Expenditures	The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans (20.24);
Returned funds from previous years	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; These are invalidated by increasing the budgetary loans for each economic expenditure;
Revenues and expenditures ratios	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;
The revenues/expenditures achievement degree from the initial/revised budget	Collected revenues % of the initial/revised budgetary provisions; Incurred expenditures % of the initial/revised budgetary provisions;
The level of financing from the own revenues	Own revenues % in Total revenues;
The degree of self-financing	(Own revenues-Quotas deducted from the income tax (04.02.01)) % Total collected revenues;
The degree of dependency of the local budget to the state budget	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;
The degree of decisional autonomy	(Own revenues + Sums deducted from VAT for balancing the local budget 11.02.06) % in Total revenues;
The expenditures' rigidity	Staff costs % in Total incurred expenditures;
Maximum annual debt	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;
Net direct debt	Total of amounts representing interests, provisions and installments, according to contracted to be paid by the end of The year, by the municipality;
Net public debt	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;
Direct/Public indebtedness level	Direct/Public Debt Service as % of Own revenues*;
Net Direct/ Public indebtedness level	Net public/direct debt as % of Own revenues*;
Direct debt service	Total amounts to be paid by the city hall as capital repayments, interests and fees for ongoing credit contracts;
Public debt service	Current debt service+amounts related to the granted guarantees (interests, commissions and principal);
Payout n Y - n years	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 30.06.2022;
Current financial debt	Total drawdowns related to the credit facilities for the analysed period;
Per Capita	For a person that is resident of the municipality; Resident inhabitants as of 1st of January 2021/1st of January 2020;



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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 Q2 2021 and Q2 2022, initial budget for 2021 approved by LCD no. 63 from 15.04.2021 and for 2022 approved by LCD no. 17 from 10.02.2022; the revised budget at Q2 2022 approved by LCD no. 147 from 20.06.2022 and the related investment list. The budget of revenues and expenditures was not revised by the end of Q2 2021.

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