



District 6 of the Bucharest Municipality



Quarterly financial report
at 31.03.2024



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General overview

General information

Bucharest – Ilfov is one of the eight development regions of Romania, consisting of the municipality of Bucharest and Ilfov County. This region has an area of 1,821 km², of which 13.4% represents the administrative territory of the Municipality of Bucharest and 86.6% of Ilfov County.

Bucharest is located in the southeast of Romania, between Ploiesti to the north and Giurgiu to the south. The city is situated in the Vlasia Plain, which is part of the Romanian Plain. To the east lies Baragan, to the west the Gavanu Burdea Plain, and to the south it is bordered by the Burnaz Plain. The city has a total area of 238 km², over which six sectors are spread, each governed by its own city hall. The sectors are arranged radially (and numbered clockwise) so that each one administers a part of Bucharest's center.

District 6 is the second largest within the Municipality of Bucharest. The main neighborhoods of the sector are Drumul Taberei, Militari, Giulesti, and Crangasi.

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

| Territorial administration and public utilities | Bucharest | B-IF Region | Measurement unit | Reference period |
|---|-----------|-------------|------------------|------------------|
| Land fund surface | 238 | 1,821 | Ha | 2014 |
| Green areas surface in municipalities/cities | 45 | 73 | Ha | 2022 |
| Length of city roads | 3,247 | 4,257 | Km | 2022 |
| Distribution simple network for drinking water | 2,539 | 4,280 | Km | 2022 |
| Simple length of sewer pipes | 3,460 | 4,645 | Km | 2022 |
| Total gas distribution network length | 2,174 | 4,666 | Km | 2022 |
| Distributed thermal energy Gcal | 2,446,124 | 2,453,700 | Gcal | 2022 |

| Population (01.01.2024) | District 6 | Bucharest | B-IF Region | % in the region | % in the municipality |
|--------------------------------|----------------|------------------|------------------|-----------------|-----------------------|
| Total | 395,488 | 2,142,929 | 2,656,663 | 14.9% | 18.5% |
| Gender distribution | | | | | |
| female | 211,903 | 1,140,842 | 1,405,939 | 15.1% | 18.6% |
| male | 183,585 | 1,002,087 | 1,250,724 | 14.7% | 18.3% |
| Distribution by age categories | | | | | |
| 0-19 years | 66,996 | 384,488 | 497,991 | 13.5% | 17.4% |
| 20-59 years | 229,527 | 1,231,808 | 1,543,581 | 14.9% | 18.6% |
| 60 years and above | 98,965 | 526,633 | 615,091 | 16.1% | 18.8% |
| Distribution by environment | | | | | |
| urban | 395,488 | 2,142,929 | 2,379,124 | 16.6% | 18.5% |
| rural | N/A | N/A | 277,539 | N/A | N/A |

| Workforce | Bucharest | B-IF Region | Measurement unit | Reference period |
|-------------------------------|-----------|-------------|------------------|------------------|
| Work resources | 1,314 | 1,692 | th of people | 2022 |
| Work resources occupancy rate | 94.9% | 86.3% | Percentages | 2022 |
| Number of employees | 1,074 | 1,256 | Number of people | 2022 |
| Unemployment rate | 0.9% | 0.8% | Percentages | 02.2024 |

| National economy | Value | Measurement unit | Reference period |
|---|-----------|------------------|------------------|
| Annual GDP, current prices (seasonally adjusted) CAEN | 1,066,781 | Millions of Ron | 2020 |
| Rev. 2 | 1,189,090 | Millions of Ron | 2021 |
| (Report CON106H) | 1,401,345 | Millions of Ron | 2022 |
| | 1,605,591 | Millions of Ron | 2023 |

| Turnover of local units (the entire active economic sector): | Bucharest | B-IF Region | Measurement unit | % in the region |
|--|----------------|----------------|------------------------|-----------------|
| Total, out of which: | 726,438 | 890,367 | Millions of Ron | |
| Manufacturing industry | 52,846 | 78,298 | Millions of Ron | 67.5% |
| Constructions | 51,647 | 63,247 | Millions of Ron | 81.7% |
| Commerce | 328,164 | 424,816 | Millions of Ron | 77.2% |
| Transports and storage | 28,267 | 38,867 | Millions of Ron | 72.7% |
| Other services | 265,514 | 285,139 | Millions of Ron | 93.1% |

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

Infrastructure

Current infrastructure

The Bucharest – Ilfov region represents the most important national and international road-rail-air transport hub in the country. It is characterized by a high degree of accessibility, being located on two European multi-modal corridors: European Priority Axis No. 7 and European Priority Axis Giurgiu – Albita, as well as in proximity to the Danube (European Priority Axis No. 18).

The Bucharest – Ilfov region has the highest density of railways per 1,000 km² of territory (165.3 km/100 km²), which is almost four times the national average. Bucharest is the starting point for the eight main railway lines that connect to other regions of the country.

Air and multi-modal accessibility is provided by two international airports: "Henri Coanda" (Otopeni), which is the largest international airport in Romania (handling 70% of the total air passenger traffic in Romania), and "Aurel Vlaicu" (Baneasa).

Sustainable Urban Mobility Plan 2016 - 2030

In 2017, the Sustainable Urban Mobility Plan (PMUD) for the Bucharest – Ilfov Region was launched for public debate. This plan aims to establish an efficient, integrated, sustainable, and safe transport system that promotes economic, social, and territorial development and ensures a high quality of life.

The investment plan aims to achieve the following objectives: 123 km of new metro lines, new environmentally friendly public transport means, 350 km of rehabilitated county roads, 52 km of rehabilitated bypasses, at least 3,400 parking spaces, and bicycle rental points.

Moreover, the PMUD is a conditionality for accessing European funds during the 2014 – 2020 period, through the Regional Operational Program and the Large Infrastructure Operational Program.

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

| Ratios 31.03.2024 (th RON) | PMB | Sector 1 | Sector 2 | Sector 3 | Sector 4 | Sector 5 | Sector 6 |
|--|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total revenues, w/o sums used from previous surplus | 1,459,942 | 598,450 | 630,109 | 764,692 | 544,760 | 324,310 | 553,420 |
| Own revenues | 1,368,340 | 535,560 | 463,825 | 525,247 | 398,455 | 284,118 | 465,936 |
| <i>Own revenues % TR</i> | 93.7% | 89.5% | 73.6% | 68.7% | 73.1% | 87.6% | 84.2% |
| <i>Quotas and amounts deducted from the income tax</i> | 1,268,849 | 194,520 | 222,706 | 288,433 | 197,371 | 176,255 | 235,348 |
| Sums deducted from VAT | 0 | 62,333 | 60,057 | 69,569 | 50,207 | 39,800 | 62,617 |
| Subsidies (from the State budget and from other administrations) | 61,203 | 517 | 34,881 | 129,080 | 96,084 | 537 | 23,907 |
| Sums received from EU | 22,400 | 38 | 71,345 | 40,797 | 15 | -146 | 863 |
| Total expenditures | 1,416,022 | 265,009 | 328,370 | 386,397 | 502,803 | 299,106 | 398,429 |
| Operational expenditures | 1,244,526 | 249,103 | 258,952 | 265,294 | 208,258 | 210,120 | 249,190 |
| Operational expenditures % TP | 87.9% | 94.0% | 78.9% | 68.7% | 41.4% | 70.2% | 62.5% |
| Investment expenditures, out of which: | 122,284 | 2,782 | 53,867 | 91,798 | 261,034 | 62,020 | 127,200 |
| Capital expenditures | 91,103 | 2,782 | 33,102 | 27,372 | 108,628 | 61,445 | 64,548 |
| Non-reimbursable external funds | 1,569 | 0 | 1,110 | 167 | 64 | 117 | 735 |
| Financial expenditures | 49,212 | 13,124 | 15,550 | 29,305 | 33,511 | 26,966 | 22,039 |
| Result of the period, w/o sums used from previous surplus | 43,920 | 333,441 | 301,738 | 378,295 | 41,957 | 25,204 | 154,991 |
| Sums used from previous surplus | 0 | 350,000 | 100,000 | 11,802 | 88,736 | 66,048 | 84,178 |
| Result of the period | 43,920 | 683,441 | 401,738 | 390,097 | 130,693 | 91,252 | 239,169 |
| Population (01.01.2024) | 2,142,929 | 265,353 | 359,927 | 486,903 | 334,810 | 300,448 | 395,488 |

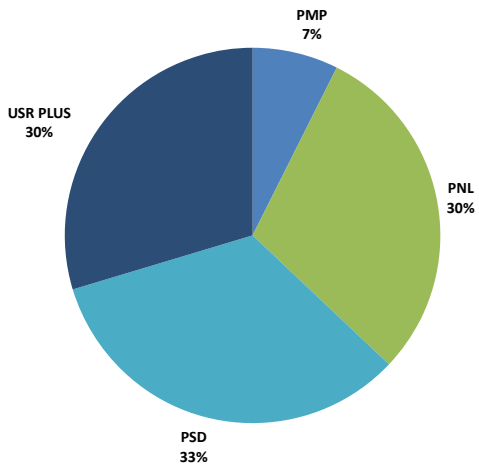
Source: <https://forexpublic.mfinante.gov.ro/web/transparenta-bugetara/rapoarte-entitati-publice>



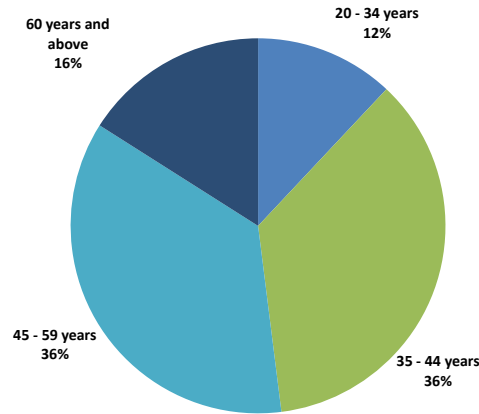
General overview

The Local Council of District 6 of the Bucharest Municipality at 31.03.2024

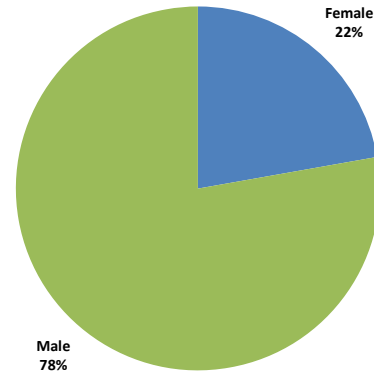
Political structure



Age distribution



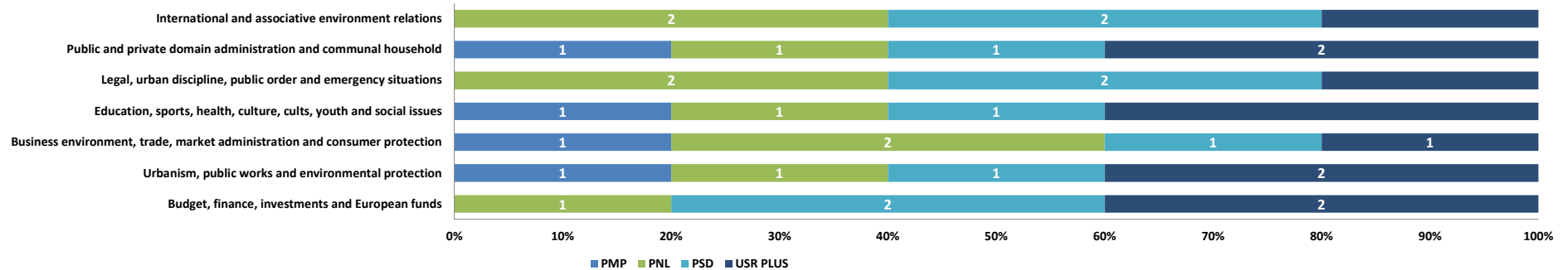
Gender distribution



Structure by political party, profession and age groups

| Party | No. | Profession | Age group |
|----------|-----|-----------------------|--------------------|
| PSD | 1 | Carpenter | 60 years and above |
| PSD | 1 | Economist | 20-34 years |
| PSD | 1 | Economist | 35-44 years |
| PSD | 1 | Economist | 45-59 years |
| PSD | 1 | Engineer | 45-59 years |
| PSD | 1 | Lawyer | 60 years and above |
| PSD | 1 | Professor | 35-44 years |
| PSD | 1 | Geographer | 20-34 years |
| USR PLUS | 1 | Lawyer | 35-44 years |
| USR PLUS | 1 | Lawyer | 45-59 years |
| USR PLUS | 1 | Journalist | 45-59 years |
| USR PLUS | 1 | Public administration | 35-44 years |
| USR PLUS | 1 | Economist | 45-59 years |
| USR PLUS | 1 | Engineer | 60 years and above |
| USR PLUS | 1 | Economist | 20-34 years |
| PNL | 0 | Economist | 35-44 years |
| PNL | 1 | Economist | 60 years and above |
| PNL | 1 | Economist | 20-34 years |
| PNL | 1 | Engineer | 35-44 years |
| PNL | 1 | Engineer | 45-59 years |
| PNL | 1 | Lawyer | 35-44 years |
| PMP | 1 | Economist | 35-44 years |
| PMP | 1 | Lawyer | 45-59 years |

District 6 Local Council Commissions and their political structure



The function of Mayor of Sector 6 of Bucharest Municipality is held by Mr. Ciprian Ciucu, as a result of the local elections in September 2020. He represents the National Liberal Party, is a journalist by profession.

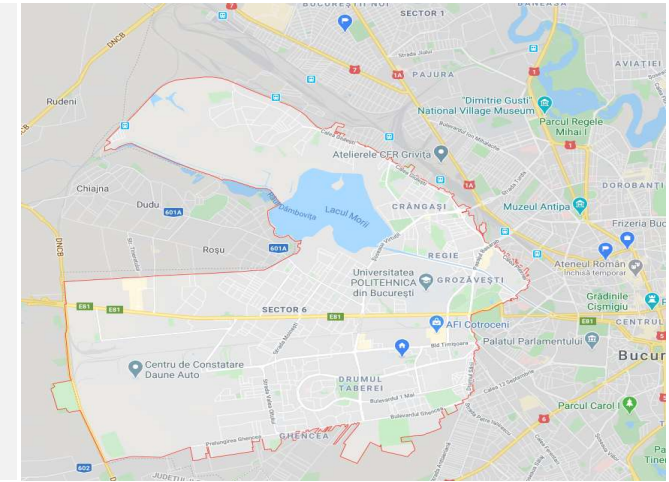
The position of Deputy Mayor is held by Mr. Gadiuta Alexandru Vasile, representing the USR party, a geographer by profession, and by Ms. Stefan Mihaela-Ana-Maria, also representing the USR party, specialized in Public Administration.

Mr. Spiridon Demirel is the Secretary of Sector 6 of Bucharest Municipality, a lawyer by profession.

Prezentare generala

Institutii si directii in subordinea Consiliului Local al Sectorului 6 al Municipiului Bucuresti

- **District 6 of the Bucharest Municipality (Specialized body within the Mayor's office);**
- **Commercial 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;**
- **Multifunctional Health Center "Sfantul Nectarie";**
- **Center for Innovation and Urban Design Sector 6 S.R.L. (established by LCD no. 44/28.02.2023).**



Mediul socio - cultural

Trade and utilities

- In Sector 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 stores carrying out commercial activities. The agri-food markets are concentrated in Drumul Taberei, Militari and Crangasi districts and are financed entirely from own revenues (extrabudgetary institutions). A source of income is the direct exploitation of Chilia Veche, Valea Ialomitei, Drumul Taberei II and Giulesti II markets by collecting lump sum taxes for stalls, and the second source is constituted by revenues obtained from association contracts and rental contracts concluded for the arrangement and exploitation of other markets (Gorjului, Veteranilor, Drumul Taberei I and Crangasi).
- The utilities in Sector 6 are ensured as follows: water supply is made by APA NOVA SA, thermal energy supply by CMTEB, natural gas supply by ENGIE, and electricity supply by ENEL.

Culture, recreation and religion

- The most important objectives and attractions on the territory of Sector 6 are: Cotroceni National Museum (dating from 1861), Chişinău Monastery (from 1774), Polytechnic Institute, Pasteur Institute, Botanical Institute and Emil Carafolli National Institute for Aerospace Research, as well as Masca Theatre and Comic Opera for children.
- The sector also benefits from numerous green spaces, the main parks being: Crangasi Park, Giulesti Park and Drumul Taberei Park (the park with the largest area in the sector, modernized and reopened in June 2015), as well as the Botanical Garden (with an area of approx. 17.5 ha).
- Through the Integrated Program for Urban Development of Sector 6 of Bucharest 2021-2030 (endorsed by HCL no. 101 of 30.06.2021), for the objective of Performance and Inclusive Social Development it is pursued Improving the cultural offer and opportunities for artistic creation by:
- Fitting out works Giulesti Cinema – cultural hub, Golescu Grant – children's center (service diversification / modernization) - Modern space, arranged and logistically equipped at European standards dedicated to artistic, didactic or musical activities (2021-2024, investment estimated at EUR 4 million with financing from the local budget and non-reimbursable funding sources);
- Favorit Cultural Center - Leisure for the inhabitants of the area by providing a dedicated space; Dedicated center for artistic cultural activity; Events organized to promote local artists (2021-2024, estimated investment of approximately EUR 13.3 million, in implementation, with funding from the local budget and other funding sources).

source: Integrated urban development program of sector 6 of Bucharest 2021 -2030

Environment protection

- The European directives transposed into Romanian legislation have determined a new approach to the waste problem, paying attention to the need to protect and save natural resources, reduce management costs and find efficient solutions to reduce pollution. In order to increase the quantities of waste reintroduced into the economic circuit, it is necessary to build separate waste collection points (by fractions). The Ministry of Environment, Waters and Forests launched the Specific Guide for Component 3 Investment I.1, Sub-investment I.1.B – Building digitized ecological islands. Thus, Sector 6 of Bucharest considers it appropriate to set up and equip 231 digitized ecological islands (container assembly), for the following separately collected waste streams: paper and cardboard waste, plastic and metal waste, glass waste, biodegradable waste, residual waste. The project proposed and approved by LCD no. 126/19.06.2023, is complementary to other investments financed from the local fund and external funds. Thus, the number of inhabitants served by the 231 ecological islands is 57,500 inhabitants. The total financial allocation granted through PNRR for works for the construction and operationalization of digitized ecological islands is 260,130,000 Euro. The maximum eligible value of the project corresponds to an eligible unit cost, as follows: Overground islands encased with containers of 1.1 cubic meters – 14,000 Euro / island (without VAT).
- By LCD 217 / 09.10.2023, the technical and economic indicators for the investment objective "Construction abolition, spatial reconfiguration, consolidation, landscaping, occasional road arrangement, car and pedestrian traffic, arrangement of recreational, cultural, educational, sports and trade spaces and organization of works execution for the objective: LACUL MORII PARK, part of the project "Urban regeneration of Lake Morii area in Sector 6 of the municipality Bucharest". The total value of the investment objective, according to the general estimate, is 182,198,252 lei (with VAT).
- LCD 286/21.12.2023 endorsed the Local Strategy for Digital Transformation of Sector 6 of Bucharest 2023-2030 and the Local Strategy for Green Energy of Sector 6 of Bucharest 2023-2030, projects co-financed by the European Social Fund through the Administrative Capacity Operational Program 2014-2020.

Social Assistance

- **The SAFE Project** – Health, Accessibility, Facilitation, Education is financed through the "Public Health Challenges at European Level" program under the EEA Financial Mechanism 2014-2021, implemented by the Ministry of Health.

The project aims to improve access to healthcare for 4,000 individuals from vulnerable groups, including 800 people from the Romani community, by developing and providing a program of socio-medical services focused on prevention and by raising awareness about the importance of health and medical services for the Bucharest population, particularly in Sector 6. This contributes to reducing health inequalities in the long term. The implementation of the SAFE Project and ensuring its sustainability for a period of 5 years were approved by HCL no. 214/23.09.2022.

Project Objectives: Establishing a Radiology Department: This department will serve the long-term needs of the vulnerable population in Bucharest, with priority given to Sector 6.

Preventive Medical Services: These include health screening and radiology services for 4,000 vulnerable individuals, including 800 Roma people, primarily from Sector 6 in Bucharest.

Therapeutic Mental Health Services: These services will be provided for 100 individuals with psychiatric diagnoses and 50 of their caregivers.

Training for Healthcare Personnel: Training 50 healthcare professionals to improve their skills, communication with vulnerable group members, and the provision of enhanced medical services.

Awareness Campaign: Conducting an information and awareness campaign to increase understanding of preventive medical services among vulnerable groups, focusing on the prevention of respiratory diseases (including TB) and the health of vulnerable populations in general, with a specific emphasis on individuals with mental health issues.

The total target group for the project consists of 4,100 people, broken down as follows:

The main target group of the project comprises 4,000 individuals from vulnerable groups, including: 800 people of Romani ethnicity, 100 individuals with mental health issues, 3,100 individuals from other vulnerable categories (at risk of poverty, single individuals, those with medical vulnerabilities, people in areas with difficult access to healthcare services, people with disabilities (other than mental health issues), elderly people, etc.).

- By **HCL 181/28.08.2023**, the feasibility study and the technical-economic indicators for the investment objective "Construction of a Neuromotor Recovery Services Center for Adults with Disabilities – Constantin Brancusi" are approved for the submission of the project within the PNRR. The target group consists of adults with disabilities from the community and those assisted in residential institutions. The general objective of the investment is to improve the quality of life for institutionalized persons with disabilities and to prevent their institutionalization, while also developing alternative support services for independent living and community integration. The specific objective is to develop social infrastructure for people with disabilities by constructing an outpatient neuromotor recovery services center for adults with disabilities. The estimated cost for the investment objective is 4,869,470.19 lei (excluding VAT).

Education

- By **HCL 2/18.01.2024**, with subsequent modifications and additions, the organization of the school network comprising state and private pre-university education units within Sector 6 of the Municipality of Bucharest for the 2023-2024 school year is approved.
- By **HCL 260/28.11.2023**, funded by the local budget through A.D.P.D.U. Sector 6, the pilot project for improving air quality and implicitly human health in Sector 6 of the Municipality of Bucharest is approved. This project involves the creation and placement of information signs with the message "For the health of children, stop the engine when stationary" near pre-university education units within Sector 6.
- By **HCL 120/08.06.2023**, the implementation of the "Summer Kindergarten 2023" Educational Program within state pre-university education units in Sector 6 of the Municipality of Bucharest is approved. The program runs from July 1 to August 31, 2023, and is funded by the local budget, with a maximum amount of 3,861,000 lei.
- By **HCL 200/18.09.2023**, funding is approved for the participation of students enrolled in state pre-university education units in Sector 6 of the Municipality of Bucharest in the "After School" program for the 2023-2024 school year. The funding for human resources and meals for students is provided from the local budget.
- By **HCL 51/28.03.2023**, the submission of the project "Equipping Schools in Sector 6 through PNRR" is approved, with a maximum eligible project value of 82,428,157.84 lei (including VAT) and an ineligible value of 1,122,255 lei (excluding VAT), funded from the local budget.
- Ongoing projects for the construction and renovation of school infrastructure at the level of Sector 6, funded by the Regional Operational Program (funding contracts for the modernization of school infrastructure for 6 education units were signed in 2020 and 2021), the National Local Development Program 2017-2020 (new construction of Albina Kindergarten – Str. Rusetu no. 17, Sector 6, Bucharest), as well as within the "Sector 6 – Energy Efficiency for Public Buildings (D6EPPB)" Project, which involves NZEB-type rehabilitation of some education units and the construction of new NZEB buildings (kindergartens) and new NZEB buildings (after-school). Execution contracts have been signed, and works are already underway for 12 NZEB rehabilitation objectives for education units and 8 new NZEB building objectives (kindergartens) and new NZEB buildings (after-school).
- Children and teenagers in Sector 6 benefit from various community prevention and skill-building programs, such as: Neighborhood Camps, Parent School, You Choose! (a program to combat violence in schools and high schools), La teatrale cu matale!, Young Sports League, SocialXChange, and the "Conacul Golescu Grant" Recreation and Personal Development Center – a project that offers an alternative for leisure time, through social integration of children, involving them in artistic, cultural, sports, and technical-scientific activities (theater, modern dance, music, visual arts (painting, graphic art, modeling), chess, karate, computer science, etc.).

Source: Integrated Urban Development Program of Sector 6 of the Municipality of Bucharest 2021 -2030



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

1. Quotas and amounts deducted from the income tax: VARIATION (2006-2024): Bucharest

| | 2024, 2023, 2022, 2021, 2020, 2019, 2018 - with the exception of 273 (Art. 32 and 33) | | | | | | | | | Law 273/2006 | | |
|---|--|---|---|---|---|---|---|---|---|----------------|----------------|----------------|
| | Law of the State Budget 421/28.12.2023 | Law of the State Budget 368/19.12.2022 | Law of the State Budget 317/28.12.2021 | 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. 2012 | 01.01. 2011 | 18.07. 2006 |
| Applicability: | 2024 | 2023 | 2022 | 2021 | 2020 | 2020 | 2020 | 2019 | 2018 | | | |
| BUCHAREST | | | | | | | | | | | | |
| Municipality of Bucharest | 47% | 50% | 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% | 50% | 50% | 51.0% | 30.0% | 20.0% | 22.5% | 23.5% |
| Ilfov: SD financing | 3% | | | | | | | | | | | |
| 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% | 100.0% | 100.0% | 90.0% | 71.5% | 77.0% | 82.0% |
| Remarks; ALLOCATION MODE | It is divided into no. total of inhabitants of the Municipality of Bucharest and is multiplied by the number of inhabitants of each sector | <u>2 steps:</u> 1. Allocation lei 2,000/capita/year | <u>2 steps:</u> 1. Allocation lei 1,500/capita/year | <u>2 steps:</u> 1. Allocation lei 1,400/capita/year | <u>2 steps:</u> 1. Allocation lei 1,150/capita/year | <u>2 steps:</u> 1. Allocation lei 1,000/capita/year | <u>2 steps:</u> 1. Allocation lei 1,000/capita/year | <u>2 steps:</u> 1. Ensure of a minimum operating budget of lei 1,250 in order to supplement the own revenues | <u>2 steps:</u> 2. Proportional to the estimated tax to be collected in 2019 at the level of each sector | | | |
| | | 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. 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

- on certain fiscal-budgetary measures, amending and adding 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

2024: GEO 115/2023

- reduction level broken down to UAT: Keeping to the State Budget the tax owed by natural persons on income from pensions, from interest, from gambling activities.



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- Revenue and expenditure structure

Revenue and expenditure balance at Q1 2024, as compared to Q1 2023

'000 RON



| | Q1 2023 | Q1 2024 | % |
|--|-----------------|------------------|------------------|
| TOTAL REVENUES | 750,235 | 637,598 | ▼ -15.0% |
| TOTAL EXPENDITURES | 236,303 | 398,429 | ▲ 68.6% |
| Operational Revenues | 549,381 | 529,136 | ▼ -3.7% |
| Fiscal revenues | 540,716 | 522,035 | ▼ -3.5% |
| Tax own revenues | 481,770 | 459,418 | ▼ -4.6% |
| Sums deducted from the VAT | 58,946 | 62,617 | ▲ 6.2% |
| Non-fiscal revenues, out of which: | 8,447 | 6,610 | ▼ -21.7% |
| Non-fiscal own revenues | 8,214 | 6,513 | ▼ -20.7% |
| Donations and sponsorships | 233 | 97 | ▼ -58.3% |
| Current subsidies | 218 | 491 | ▲ 125.5% |
| Other Operational Revenues | 0 | 0 | ▼ -358.4% |
| Operational Expenditures (OPEX), out of which: | 186,129 | 249,190 | ▲ 33.9% |
| Staff Costs (PEREX) | 59,230 | 75,213 | ▲ 27.0% |
| Goods and services* | 78,064 | 108,312 | ▲ 38.7% |
| Current transfers | 16,442 | 23,039 | ▲ 40.1% |
| Internal transfers | 2 | 8,252 | ▲ 376338.6% |
| Social assistance | 25,045 | 32,527 | ▲ 29.9% |
| Subsidies | 1,153 | - | - |
| Other expenditures | 6,195 | 1,847 | ▼ -70.2% |
| Operational result | 363,251 | 279,946 | |
| Operational Surplus (% from OPEX) | 195.2% | 112.3% | |
| Operational Deficit (% from Op. Revenues) | - | - | |
| Investment revenues | 1,778 | 24,285 | ▲ 1265.8% |
| Capital revenues | 1 | 5 | ▲ 310.1% |
| Capital subsidies | 1,278 | 23,417 | ▲ 1732.2% |
| Sums received from EU for the made payments | 499 | 863 | ▲ 73.0% |
| Investment expenditures (CAPEX), out of which: | 22,444 | 127,200 | ▲ 466.7% |
| Capital transfers | 1,180 | 45,766 | ▲ 3779.5% |
| Projects financed from EU | 3,354 | 735 | ▼ -78.1% |
| PNRR | - | 15,799 | |
| Capital expenditures | 18,006 | 64,548 | ▲ 258.5% |
| The result from the investment activity | - 20,666 | - 102,915 | |
| Financial revenues | 199,076 | 84,178 | ▼ -57.7% |
| Financial operations | 199,076 | 84,178 | ▼ -57.7% |
| Financial expenditures | 27,730 | 22,039 | ▼ -20.5% |
| Loan related commissions | - | - | |
| Interests | 15,674 | 11,496 | ▼ -26.7% |
| Loans reimbursements | 12,055 | 10,543 | ▼ -12.5% |
| Financial result | 171,347 | 62,139 | |
| Period's result | 513,932 | 239,169 | |
| Surplus (% out of Total expenditures) | 217.5% | 60.0% | |
| Deficit (% out of Total revenues) | - | - | |
| Result of the period (without previous year's surplus) | 314,856 | 154,991 | |
| Own revenues % of Operational revenues | 89.2% | 88.1% | |
| OPEX/Own revenues (%) | 38.0% | 53.5% | |
| (Operational expenditures -Staff costs, excluding Education and Social assistance) % of (Own revenues - Quotas deducted from the income tax) | 30.4% | 43.5% | |

- At the end of the first three months of this year, **the Operational Result** recorded a surplus of RON 279,946 th, representing 112.3% of Operational Expenditures, being by RON 83,306 th below the surplus recorded in the similar period of 2023. The evolution is determined by a decrease in Operational revenues (-RON 20,245 th, -3.7%), corroborated with an increase in Operational Expenditures (+RON 63,061 th, +33.9%).
- **The result from the investment activity** registers a deficit of RON 102,915 th, being generated based on an increasing level of Investment Expenditures (+RON 104,755 th, +466.7%), while Investment Revenues increases by RON 22,507 th. In this context, the deficit deepens compared to the result of investment activity registered in the same period of the previous year (amounting to RON 20,666 th).
- **The financial result** marks a surplus of RON 62,139 th, below the one recorded in Q1 2023, driven by the decrease in Financial Revenues (-RON 114,898 th, -57.7%), while Financial Expenditures decreased by 20.5%.
- Therefore, taking into account the operational and financial surplus, the result of the period, after covering the deficit in investment activity, registers a surplus of RON 239,169 th (-53.5% below the surplus recorded in Q1 2023).

*) Goods and services, within the Operational expenditures, does not include the Commissions and other costs related to loans, the mentioned amounts being reflected within the Financial expenditures

Revenue and expenditure balance

Functional/economic classification

'000 RON



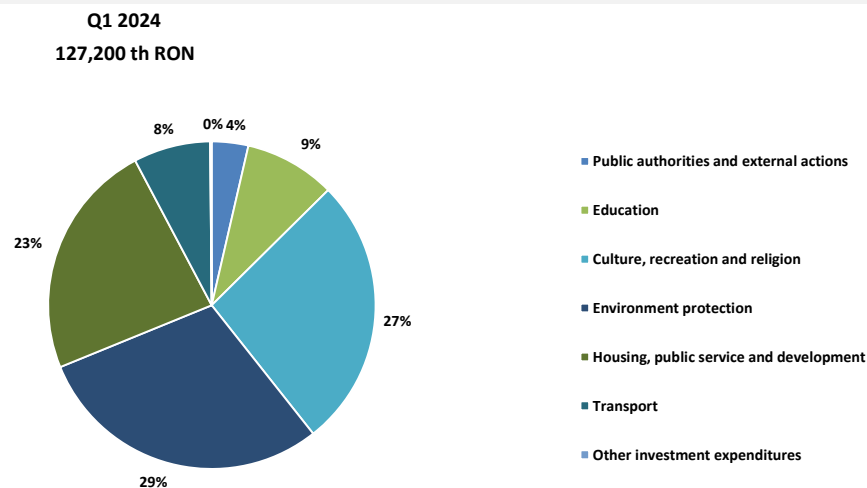
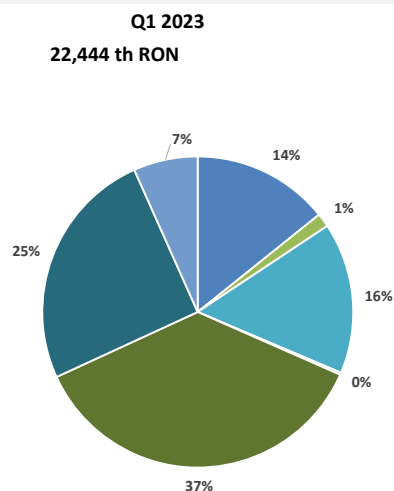
Payments performed at Q1 2024, as compared to Q1 2023 (Variations)

| Budgetary chapter | TOTAL EXPENDITURES | Operational expenditures, out of which: | | | | Financial expenditures | Investment expenditures | Investment expenditures (Budget 2024) |
|--|--------------------|---|-------------|---------------------|-------------------|------------------------|-------------------------|---------------------------------------|
| | | Total Operational Expenditures | Staff costs | Goods and services* | Social assistance | | | |
| Public Authorities and external actions | ▲ 5,863 | ▲ 4,478 | 4,252 | 70 | 0 | 0 | ▲ 1,385 | 114,461 |
| Other general public services | ▼ -163 | ▲ 17 | 0 | 24 | 0 | 0 | ▼ -180 | 0 |
| Transactions regarding the public debt and loans | ▼ -4,178 | 0 | 0 | 0 | 0 | ▼ -4,178 | 0 | 0 |
| General transfers between different levels of administration | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Defense | ▲ 5 | ▲ 5 | 0 | 5 | 0 | 0 | 0 | 117 |
| Public order and national security | ▲ 3,412 | ▲ 3,412 | 0 | 113 | 0 | 0 | 0 | 2,771 |
| Education | ▲ 23,935 | ▲ 12,836 | 2,488 | 7,811 | 1,190 | 0 | ▲ 11,099 | 352,858 |
| Health | ▼ -1 | 0 | 0 | 0 | 0 | 0 | ▼ -1 | 4,855 |
| Culture, recreation and religion | ▲ 42,656 | ▲ 13,470 | 1,910 | 9,920 | 0 | ▼ -1,345 | ▲ 30,532 | 211,853 |
| Insurance and social assistance | ▲ 14,587 | ▲ 15,703 | 6,723 | 2,608 | 6,293 | 0 | ▼ -1,116 | 32,840 |
| Housing, public services and development | ▲ 20,258 | ▼ -1,152 | 490 | 134 | 0 | ▼ -167 | ▲ 21,576 | 481,560 |
| Environment protection | ▲ 50,515 | ▲ 13,078 | 0 | 8,477 | 0 | 0 | ▲ 37,436 | 196,393 |
| General economic, commercial and working actions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fuel and power | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Agriculture, Forestry, Fish breeding and Hunting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transport | ▲ 5,238 | ▲ 1,213 | 120 | 1,086 | 0 | 0 | ▲ 4,024 | 206,397 |
| Other economic actions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | ▲ 162,126 | ▲ 63,061 | 15,983 | 30,249 | 7,483 | ▼ -5,690 | ▲ 104,755 | 1,604,105 |

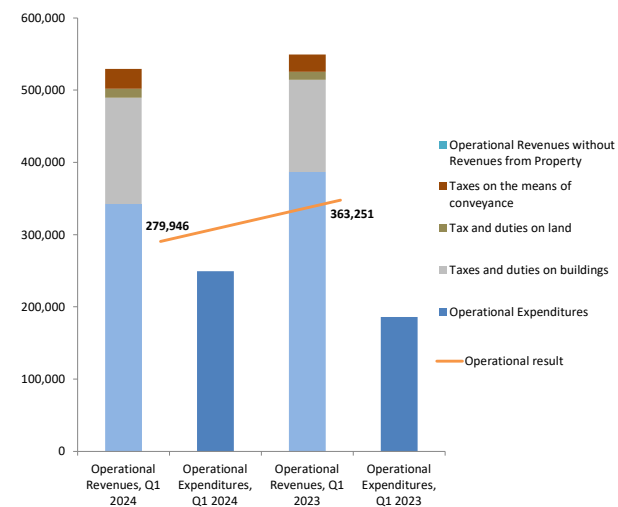
*) Goods and services, within the Operational expenditures, does not include the Commissions and other costs related to loans, the mentioned amounts being reflected within the Financial expenditures

Distribution of the Investment expenditures at Q1 2024 (according to the budget), as compared to the distribution of the execution at Q1 2023

Investment expenditures



Structure of the Operational Result (Q1 2024 vs. Q1 2023)

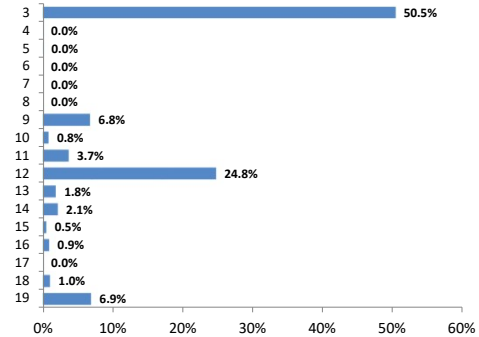


Revenue and expenditure structure at 31.03.2024

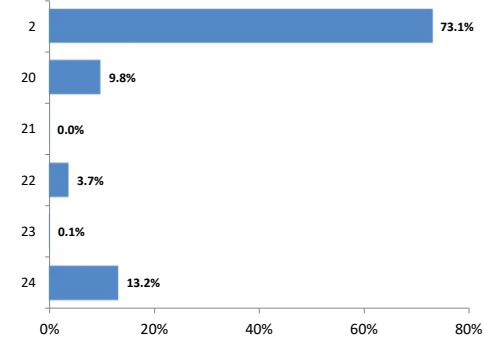
'000 RON



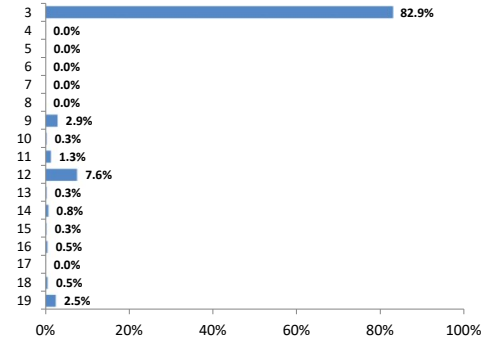
The structure of performed own revenues
465,936



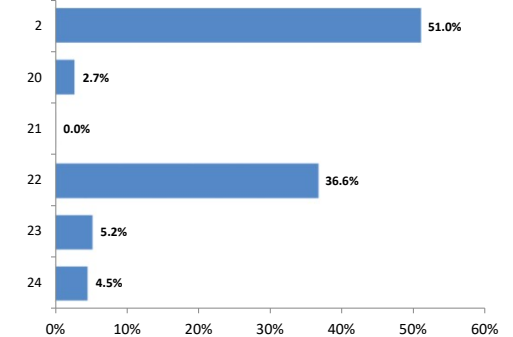
The structure of performed total revenues
637,598



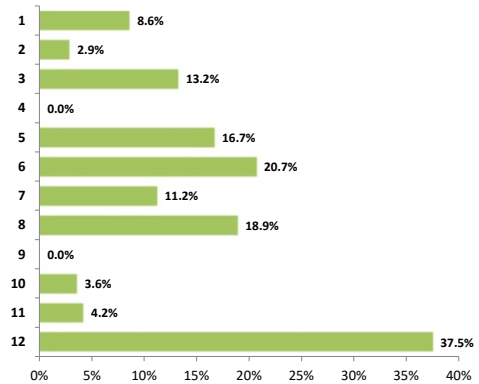
The structure of rectified own revenues
1,187,206



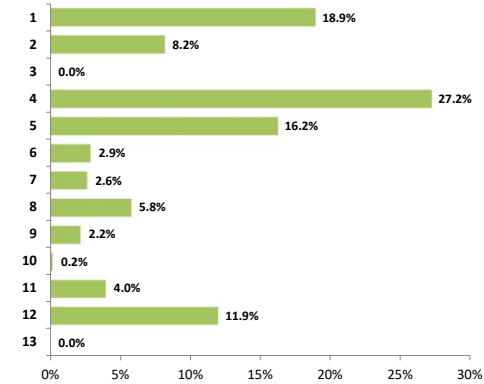
The structure of rectified total revenues
2,328,805



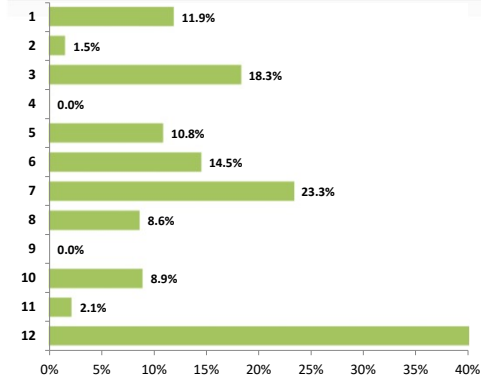
The structure of performed functional expenditure
637,598



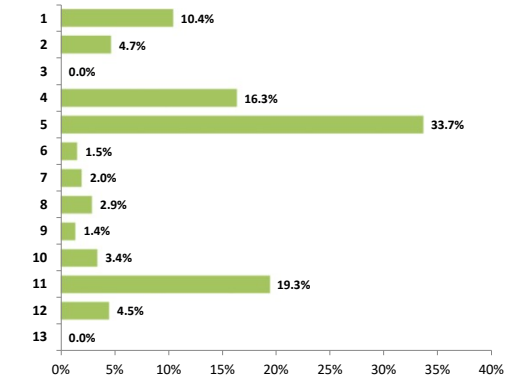
The structure performed economic expenditure
637,598



The structure of rectified functional expenditure
2,328,805

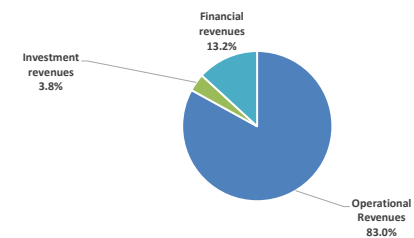


The structure of rectified economic expenditure
2,328,805

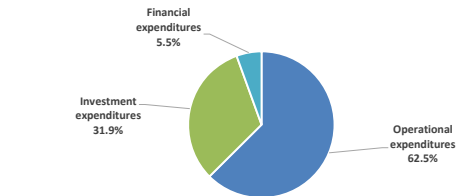


Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

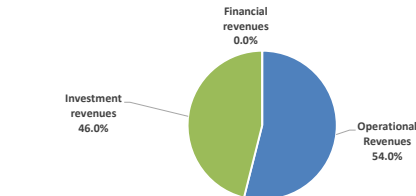
Collected revenues at Q1 2024



Performed expenditures at Q1 2024



Planned revenues at Q1 2024



Planned expenditures at Q1 2024

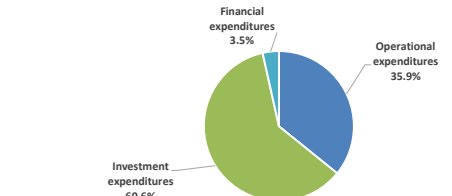




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Section II: Budgetary revenues

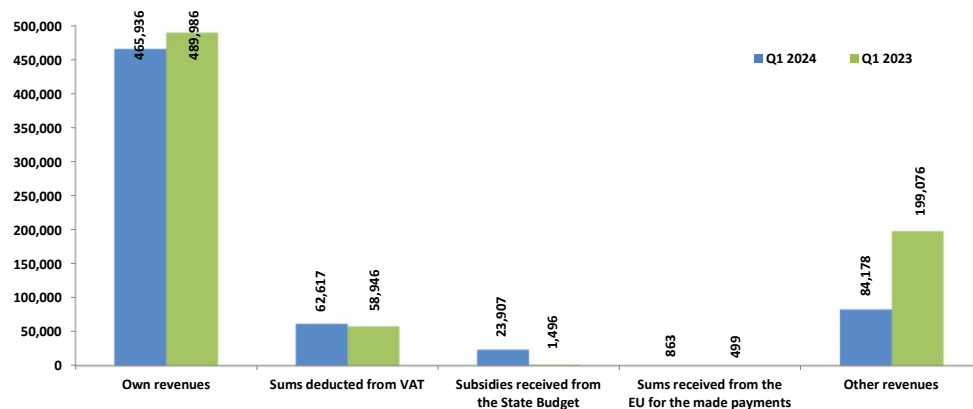
- The situation of the revenues collected at 31.03.2024
- The variation of the performed revenues at Q1 2024 compared to Q1 2023
- Budgetary provisions: the achievement degree of the revenues at Q1 2024
- Revenues ratios

The variation of the performed revenues at Q1 2024 compared to Q1 2023

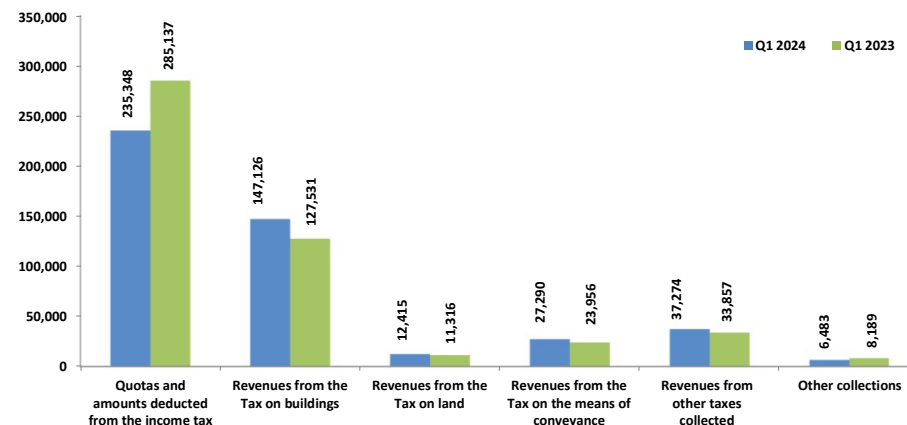
'000 RON



Total revenues variation



Own revenues variation



The revenues collected to the local budget increased by 0.4%, respectively by RON 2,262 th, up to RON 553,420 th. If considering the amounts used from the previous surplus (amounting to RON 84,178 th in Q1 2024, respectively RON 199,076 th in Q1 2023), total revenues mark a decrease of RON 112,637 th (-15%) compared to those recorded in the same period of the previous year.

- At the level of **own revenues**, there is a decrease by 4.9%, respectively by RON 24,050 th;
- In the **Other revenues group**, receipts are recorded at the level of RON 84,178 th, represented entirely by the Sums from the local budget surplus used for financing the development expenditures, their value being RON 199,076 th in the first quarter of last year;
- **Donations and sponsorships** (-RON 136 th, -58.3%);
- The revenues related to **Subsidies received from the State Budget** increased by RON 22,412 th, the influences being observed mostly at the level of capital ones, respectively by registering Allocations of PNRR amounts related to the loan component amounting to RON 23,344 th. In contrast, there is a lack of Subsidies for the thermal rehabilitation for housing buildings (amounting to RON 1,212 th in Q1 2023);
- **Sums deducted from VAT** registered an increase of RON 3,671 th (+6.2%). This increase comes from those Amounts deducted from the VAT for financing the private and confessional education (+RON 3,074 th, +32.5%), to finance Sums deducted from VAT for financing expenditures at the district level (+RON 1,153 th, +2.4%) and to Sums allocated from the quotas deducted from income tax to balance the local budgets (-RON 556 th, -65.3%);
- Also, the **Sums received from the EU for the made payments** increased by RON 364 th, fully at the level of the 2014-2020 financial framework, mainly with influences from the European Fund for Regional Development (amounts worth RON 520 th in Q1 2024, without amounts in the same period of the previous year) and the European Social Fund (-RON 211 th, -43.6%).

- **Own revenues** reach RON 465,936 th during the reporting period, and the most important influences determining the decrease of the group are found in the following income categories:

- **Quotas and amounts deducted from the income tax**, with a decrease of RON 49,789 th (-17.5%). It is noted the Sums allocated from the quotas deducted from income tax to balance the local budgets, which represent the total receipts in this group in Q1 2024;
- **Other collections** decreased by RON 1,706 th (-20.8%) and major influences from Payments from revenues and/or availabilities for public institutions amounting to RON 1,542 th (excluding such amounts collected in Q1 2024), Other revenues (-RON 462 th, -61.2%), Contribution of parents and legal guardians for the upkeep of children in nurseries (+RON 230 th, +39.8%).
- **Revenues from tax on property** increased by RON 24,028 th (+14.8%), due to the sums collected from legal entities (+RON 17,583 th, +15.1%) and individuals (+RON 6,445 th, +14%). The significant increase in these revenues is determined by the level of Taxes and duties on buildings (+RON 19,596 th, +15.4%), on Taxes on the means of conveyance (+RON 3,334 th, +13.9%) and on land (+RON 1,099 th, +9.7%);
- **Revenues from other taxes collected**, with an increase of RON 3,418 th (+10.1%), mainly determined by the increase in revenues from Other taxes and duties (+RON 4,399 th, +18.4%) and from Other taxes and duties on property (+RON 278 th, +15.3%) and the decrease of those from Stamp duties for notary work and other stamp duties (-RON 1,279 th, -23.1%).



Revenues rectification, as compared to the initial budget of 2024



The final provisions for the first three months of 2024 (approved by HCL no. 69 / 26.03.2024) estimate a decrease in revenues collected by RON 184,775 th (-7.4%) compared to their value included in the initial budget. Dynamics are observed at the level of:

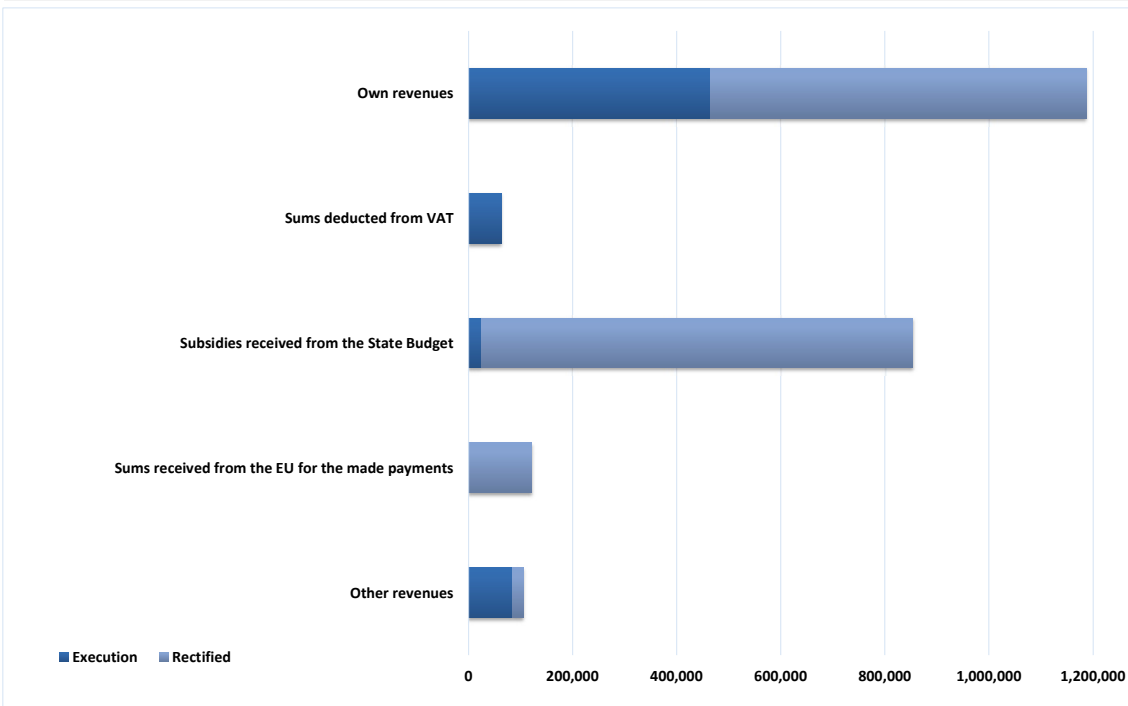
- **Investment revenues**, the provisions amended in Q1 2024 are decreased by RON 188,804 th (-15%) compared to the initial ones, entirely for Subsidies received in the base of partnership or association contracts, for the development section;
- **Operational Revenues** includes provisions increased by RON 4,029 th (+0.3%), as follows:
 - Sums deducted from VAT were estimated by the amended budget at RON 62,617 th, being 6.2% above the initial provisions (+RON 3,636 th), mostly at the level of those for Sums deducted from VAT for financing expenditures at district level (+RON 3,000 th, +6.4%) and Amounts deducted from the VAT for financing the private and confessional education (+RON 636 th, +5.3%);
 - The final budget included Sums allotted from the amounts obtained from auctioning of greenhouse gas emission certificates for financing the investment projects worth RON 393 th, without such revenues estimated in the initial budget.

The annual revenues estimated by the last budget amendment in Q1 2024 are by RON 13,047 th (+0.5%) above the level planned at the beginning of the year. The dynamics are reflected as follows:

- At the level of **Operational Revenues**, an increase of RON 15,533 th (+1%) to RON 1,558,243 th is foreseen, as follows:
 - Increase of the final provisions related to Sums deducted from VAT by RON 7,965 th (+3.3%): Sums deducted from VAT for financing expenditures at district level (+RON 5,316 th, +2.8%) and for financing the private and confessional education (+RON 2,649 th, +5.3%);
 - Inclusion of final provisions amounting to RON 7,568 th for Sums allotted from the amounts obtained from auctioning of greenhouse gas emission certificates for financing the investment projects, without initial estimates;
- For **Investment Revenues**, the budget amendment provided a decrease by RON 2,486 th (-0.2%), the dynamics being fully reflected in the level of Subsidies received in the base of partnership or association contracts, for the development section.



Achievement degree compared to the final provisions



The total revenues collected to the local budget at the end of the reporting period are by RON 1,775,384 th below the level of the final budgetary provisions, thus marking a degree of achievement of 23.8%. If we also take into account the Sums from the local budget surplus used for financing the development expenditures, amounting to RON 84,178 th, the level of revenues collected in Q1 2024 is RON 1,691,206 th below the provisions of the final budget (execution rate of 27.4%).

- **Investment revenues** are by RON 1,047,978 th below the estimated level (execution rate of 2.3%), respectively a dynamics determined by:
 - Capital subsidies, lower by RON 827,671 th (degree of achievement of 2.8%) compared to the amended budgetary provisions, the influences coming from: Subsidies from the state budget to local budgets for the "Anghel Saligny" National Investment Program (worth RON 431,044 th in the amended budget, but without values collected in Q1 2024), Allocations of PNRR amounts related to non-reimbursable financial assistance (worth RON 223,827 th in the budget rectified, without receipts), Allocations of PNRR amounts related to the loan component (-RON 172,372 th, -88.1%) and 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 (-RON 427 th, -85.5%);
 - Sums received from the EU for the made payments, lower by RON 120,311 th (achievement rate of 0.7%). This decrease is influenced by revenues of 99.8% under the provisions for the European Social Fund (-RON 120,900 th) and by the lack of provisions related to the European Fund for Regional Development (revenues worth 520 th);
 - The final budget included Subsidies received in the base of partnership or association contracts, for the development section worth RON 100,000 th (without executed amounts).

- **Operational revenues** are RON 727,406 th below the level estimated in the budget, with an execution rate of 42.1%. The structure of budget implementation is influenced during the period analysed by the following categories of revenue:
 - The revenues related to the Quotas and amounts deducted from the income tax were RON 749,219 th below the budget (degree of achievement of 23.9%), the dynamics being fully observed at the level of the Sums allocated from the quotas deducted from income tax to balance the local budgets;
 - The final budget included Other subsidies received from the central administration for the financing of some activities worth RON 4,500 th and Sums allotted from the amounts obtained from auctioning of greenhouse gas emission certificates for financing the investment projects worth RON 393 th (without executed amounts);
 - Other collections lower by RON 2,723 th (70.4% degree of achievement) compared to budget provisions, mainly considering the collection below the ceiling of Revenues from fines and other legal sanctions (-RON 1,677 th, -25.8%), Other revenues (-RON 507 th, -63.4%), Contribution for the upkeep of assisted persons (-RON 234 th, -52.1%), Contribution of parents and legal guardians for the upkeep of children in nurseries (-RON 193 th, -19.3%);
 - The revenues related to Current subsidies were by RON 1,239 th below the level of the final provisions (degree of achievement of 28.4%). The dynamics were observed mainly at the level of Other rights for disability and adoption (-RON 1,217 th, -71.6%);
 - Revenues from tax on property, revenues above the final provisions by RON 29,831 th (119% degree of achievement) at the level of Property Tax from legal entities (+RON 31,687 th, +30.9%) and from individuals (-RON 1,856 th, -3.4%). The significant increase in these revenues is determined by the level of Tax on buildings (+RON 22,126 th, +17.7%), on land (+RON 5,415 th, +77.4%) and on means of conveyance (+RON 2,290 th, +9.2%);
 - Revenues from other taxes collected higher by RON 838 th compared to the final provisions (degree of achievement of 102.3%), considering the collections for: Other taxes and duties (+RON 3,257 th, +13%), Stamp duties, for notary work and other stamp duties (-RON 1,735 th, -28.9%), Fees and charges for the issuance of licences and authorisations of functioning (-RON 681 th, -22.7%).
- **Financial revenues** amounted to RON 84,178 th, fully represented by the Sums from the local budget surplus used for financing the development expenditures.

Revenues ratios

at Q1 2024, as compared to Q1 2023

'000 RON



| Ratios | Q1 2024 | Q1 2023 |
|---|----------------------------|----------------------------|
| Revenues from tax on property | 186,831 | 162,803 |
| Revenues per Capita* | 470 | 409 |
| The revenue weight in the total revenues | 29.3% | 21.7% |
| Tax own revenues | 459,418 | 481,770 |
| Revenues per Capita* | 1,156 | 1,211 |
| The revenue weight in the total revenues | 72.1% | 64.2% |
| Total current revenues (autonomous) | 528,645 | 549,163 |
| Revenues per Capita* | 1,330 | 1,380 |
| The revenue weight in the total revenues | 82.9% | 73.2% |
| Operational revenues | 529,136 | 549,381 |
| Revenues per Capita* | 1,331 | 1,381 |
| The revenue weight in the total revenues | 83.0% | 73.2% |
| Investment revenues | 24,285 | 1,778 |
| Revenues per Capita* | 61 | 4 |
| The revenue weight in the total revenues | 3.8% | 0.2% |
| Total revenues per Capita* | 1,604 | 1,886 |
| Own revenues per capita* | 1,172 | 1,232 |
| The level of financing from the own revenues | 73.1% | 65.3% |
| The degree of self-financing | 73.1% | 65.3% |
| The degree of dependency of the local budget compared to the state budget | 50.5% | 46.1% |
| The degree of decisional autonomy | 73.1% | 65.4% |
| The degree of achievement of the revenues from the initial budget | 25.4% | 89.9% |
| The degree of achievement of the revenues from the final budget | 27.4% | 83.8% |
| The degree of achievement of the own revenues from the initial budget | 39.2% | 117.4% |
| The degree of achievement of the own revenues from the final budget | 39.2% | 116.9% |
| The degree of achievement of the property taxes from the initial budget | 119.0% | 103.4% |
| The degree of achievement of the property taxes from the final budget | 119.0% | 103.4% |
| The annual estimate from the local tax revenues (maximum probability) | 320,100 | 273,102 |
| The annual estimate from the local tax revenues (final budget) | 286,831 | 286,110 |
| The degree of achievement of the annual estimate from the local tax revenues | 89.6% | 104.8% |
| The collection degree from the initial budget of the revenues from: | 39.0% | 117.6% |
| Quotas deducted from the income tax | 0.0% | 0.0% |
| Tax on buildings from the population | 90.1% | 106.9% |
| Tax on land from the population | 109.4% | 133.7% |
| Taxes on the means of conveyance from the population | 108.1% | 94.1% |
| Taxes on buildings from legal entities | 128.4% | 105.0% |
| Taxes on land from legal entities | 245.3% | 99.7% |
| Capita, as of: | 397,548 1/1/2023 | 397,847 1/1/2022 |

*The revenues per Capita are represented in RON

- **Revenues from tax on property** increased by RON 24,028 th (+14.8%), due to the increase in Tax on buildings (+RON 19,596 th, +15.4%), on means of conveyance (+RON 3,334 th, +13.9%) and on land (+RON 1,099 th, +9.7%). In particular, revenues received from legal entities (+RON 17,583 th, +15.1%) and population (+RON 6,445 th, +14%) increased.
- **Tax own revenues** decreased by RON 22,353 th (-4.6%), mainly due to:
 - Decrease of Quotas and amounts deducted from the income tax by RON 49,789 th (-17.5%);
 - A lower level of income from Stamp duties, for notary work and other stamp duties (-RON 1,279 th, -23.1%)
 - Increase of revenues from tax on property;
 - A higher level of Other taxes and duties (+RON 4,399 th, +18.4%).
- **Total current revenues (autonomous)** register a level of RON 20,518 th (-3.7%) lower, as a result of:
 - Tax revenues, lower by RON 18,682 th (-3.5%), with influences from tax own revenues and Sums deducted from VAT (+RON 3,671 th, +6.2%);
 - Non fiscal revenues, lower by RON 1,836 th (-21.7%), mainly due to amounts from the sales of goods and services (-RON 1,880 th, -22.7%).
- **Operational revenues** collected during the analyzed period are by RON 20,245 th (-3.7%) lower, the evolution being mainly determined by the decrease in Current Revenues.
- **Investment revenues** is RON 22,507 th above the level recorded in the first three months of the previous year. These revenues are determined by the increase in the value of Capital subsidies (+RON 22,139 th) and the Sums received from the EU (+RON 364 th, +73%).



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Section III: Budgetary expenditures (functional classification)

- The situation of the expenditures performed at 31.03.2024
- The variation of the performed expenditures at Q1 2024 vs. Q1 2023
- Budgetary provisions: the achievement degree of the revenues at Q1 2024

The situation of the expenditures incurred at 31.03.2024

| | | 2024 | | | | | | 2023 | | | | | | | | | | | | | |
|---|--|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|-----------------|--------------|------------------|--------------|----------------|--------------|------------------|--------------|-----------------|--------------|-----------------|--------------|
| Line | Expenditures | Initial 2024 | % /TP | Initial at Q1 | % /TP | Rectified 2024 | % /TP | Rectified at Q1 | % /TP | Execution at Q1 | % /TP | Initial 2023 | % /TP | Initial at Q1 | % /TP | Rectified 2023 | % /TP | Rectified at Q1 | % /TP | Execution at Q1 | % /TP |
| Functional classification | | 2,803,785 | | 2,513,580 | | 2,816,832 | | 2,328,805 | | 637,598 | | 1,892,291 | | 834,280 | | 2,027,440 | | 895,584 | | 750,235 | |
| 1 | Public authorities and external actions | 272,562 | 9.4% | 142,936 | 12.9% | 287,616 | 9.9% | 139,328 | 11.9% | 34,243 | 8.6% | 290,997 | 13.9% | 134,664 | 15.7% | 288,867 | 13.0% | 137,391 | 14.5% | 28,380 | 12.0% |
| 2 | Transactions regarding the public debt (interests and commissions) | 50,010 | 1.7% | 18,010 | 1.6% | 50,010 | 1.7% | 18,010 | 1.5% | 11,496 | 2.9% | 94,001 | 4.5% | 28,126 | 3.3% | 94,001 | 4.2% | 28,126 | 3.0% | 15,674 | 6.6% |
| 3 | Education | 540,796 | 18.7% | 236,528 | 21.3% | 550,595 | 19.0% | 214,506 | 18.3% | 52,733 | 13.2% | 325,158 | 15.5% | 168,446 | 19.6% | 375,564 | 16.9% | 189,500 | 20.0% | 28,798 | 12.2% |
| 4 | Health | 4,855 | 0.2% | 60 | 0.0% | 4,855 | 0.2% | 60 | 0.0% | - | - | 6,061 | 0.3% | 660 | 0.1% | 6,061 | 0.3% | 1,010 | 0.1% | 1 | 0.0% |
| 5 | Culture, recreation and religion | 360,042 | 12.5% | 127,173 | 11.5% | 353,442 | 12.2% | 127,323 | 10.8% | 66,442 | 16.7% | 198,864 | 9.5% | 52,379 | 6.1% | 201,978 | 9.1% | 58,303 | 6.1% | 23,786 | 10.1% |
| 6 | Insurance and social assistance | 370,980 | 12.8% | 170,018 | 15.3% | 371,119 | 12.8% | 169,958 | 14.5% | 82,450 | 20.7% | 319,374 | 15.3% | 150,168 | 17.5% | 323,142 | 14.5% | 152,547 | 16.1% | 67,862 | 28.7% |
| 7 | Housing, public service and development | 593,776 | 20.6% | 203,662 | 18.4% | 580,151 | 20.0% | 273,653 | 23.3% | 44,728 | 11.2% | 310,866 | 14.9% | 130,090 | 15.1% | 319,009 | 14.3% | 114,022 | 12.0% | 24,470 | 10.4% |
| 8 | Environment protection | 371,846 | 12.9% | 95,543 | 8.6% | 393,003 | 13.5% | 101,092 | 8.6% | 75,293 | 18.9% | 293,659 | 14.0% | 104,523 | 12.2% | 365,427 | 16.4% | 175,635 | 18.5% | 24,778 | 10.5% |
| 9 | Fuel and power | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Transport | 245,829 | 8.5% | 90,145 | 8.1% | 232,952 | 8.0% | 104,473 | 8.9% | 14,322 | 3.6% | 179,880 | 8.6% | 68,185 | 7.9% | 177,119 | 8.0% | 69,981 | 7.4% | 9,085 | 3.8% |
| 11 | Other expenditures | 77,267 | 2.7% | 25,109 | 2.3% | 77,267 | 2.7% | 25,139 | 2.1% | 16,723 | 4.2% | 72,508 | 3.5% | 22,040 | 2.6% | 75,348 | 3.4% | 22,643 | 2.4% | 13,469 | 5.7% |
| 12 | Reserves, Surplus / Deficit | - 84,178 | | 1,404,396 | | - 84,178 | | 1,155,263 | | 239,169 | | - 199,076 | | - 25,000 | | - 199,076 | | - 53,573 | | 513,932 | |
| Economic classification | | 2,803,785 | | 2,513,580 | | 2,816,832 | | 2,328,805 | | 637,598 | | 1,892,291 | | 834,280 | | 2,027,440 | | 895,584 | | 750,235 | |
| 1 | Staff costs | 315,280 | 10.9% | 121,656 | 11.0% | 316,189 | 10.9% | 122,163 | 10.4% | 75,213 | 18.9% | 282,700 | 13.5% | 103,981 | 12.1% | 281,485 | 12.6% | 101,671 | 10.7% | 59,230 | 25.1% |
| 1.1 | without those for Education and Insurance and social assistance | 129,630 | 4.5% | 45,871 | 4.1% | 129,630 | 4.5% | 45,871 | 3.9% | 28,607 | 7.2% | 105,685 | 5.1% | 38,622 | 4.5% | 105,685 | 4.7% | 38,854 | 4.1% | 21,835 | 9.2% |
| 2 | Social assistance | 138,718 | 4.8% | 53,663 | 4.8% | 143,125 | 4.9% | 54,683 | 4.7% | 32,527 | 8.2% | 113,275 | 5.4% | 49,189 | 5.7% | 113,910 | 5.1% | 49,383 | 5.2% | 25,045 | 10.6% |
| 3 | Subsidies | - | - | - | - | - | - | - | - | - | - | 5,171 | 0.2% | 3,171 | 0.4% | 5,171 | 0.2% | 3,171 | 0.3% | 1,153 | 0.5% |
| 4 | Goods and services | 476,955 | 16.5% | 190,286 | 17.2% | 475,800 | 16.4% | 191,120 | 16.3% | 108,312 | 27.2% | 423,584 | 20.3% | 151,394 | 17.6% | 399,542 | 17.9% | 160,750 | 16.9% | 78,064 | 33.0% |
| 5 | Capital expenditures | 1,034,911 | 35.8% | 307,261 | 27.7% | 1,040,215 | 35.9% | 394,919 | 33.7% | 64,548 | 16.2% | 458,610 | 21.9% | 167,142 | 19.5% | 444,417 | 20.0% | 176,415 | 18.6% | 18,006 | 7.6% |
| 6 | Interests | 50,000 | 1.7% | 18,000 | 1.6% | 50,000 | 1.7% | 18,000 | 1.5% | 11,496 | 2.9% | 94,000 | 4.5% | 28,125 | 3.3% | 94,000 | 4.2% | 28,125 | 3.0% | 15,674 | 6.6% |
| 7 | Loans reimbursements | 77,500 | 2.7% | 23,000 | 2.1% | 77,500 | 2.7% | 23,000 | 2.0% | 10,543 | 2.6% | 82,700 | 4.0% | 17,700 | 2.1% | 82,700 | 3.7% | 17,700 | 1.9% | 12,055 | 5.1% |
| 8 | Current transfers | 160,352 | 5.6% | 34,196 | 3.1% | 160,352 | 5.5% | 34,196 | 2.9% | 23,039 | 5.8% | 76,052 | 3.6% | 26,542 | 3.1% | 87,951 | 4.0% | 23,734 | 2.5% | 16,442 | 7.0% |
| 9 | Internal transfers | 59,472 | 2.1% | 53,128 | 4.8% | 62,117 | 2.1% | 16,066 | 1.4% | 8,647 | 2.2% | - | - | - | - | 32,710 | 1.5% | 9,469 | 1.0% | 2 | 0.0% |
| 10 | Projects financed from non-reimbursable external funds | 46,589 | 1.6% | 39,852 | 3.6% | 46,589 | 1.6% | 39,852 | 3.4% | 735 | 0.2% | 197,139 | 9.4% | 150,019 | 17.5% | 275,785 | 12.4% | 223,397 | 23.5% | 3,354 | 1.4% |
| 11 | Projects financed from national funds (PNRR) | 420,761 | 14.6% | 215,427 | 19.4% | 421,798 | 14.5% | 226,877 | 19.3% | 15,799 | 4.0% | 227,564 | 10.9% | 119,276 | 13.9% | 249,987 | 11.2% | 113,535 | 12.0% | - | - |
| 12 | Other expenditures | 107,425 | 3.7% | 52,715 | 4.8% | 107,325 | 3.7% | 52,666 | 4.5% | 47,569 | 11.9% | 130,573 | 6.2% | 42,741 | 5.0% | 158,858 | 7.1% | 41,807 | 4.4% | 7,279 | 3.1% |
| 13 | Reserves, Surplus / Deficit | - 84,178 | | 1,404,396 | | - 84,178 | | 1,155,263 | | 239,169 | | - 199,076 | | - 25,000 | | - 199,076 | | - 53,573 | | 513,932 | |
| Total payments (TP) (total expenditures performed without considering the periods' result) | | 2,887,963 | | 1,109,184 | | 2,901,010 | | 1,173,542 | | 398,429 | | 2,091,368 | | 859,280 | | 2,226,516 | | 949,157 | | 236,303 | |
| Operational expenditures | | 1,162,685 | 40.3% | 455,633 | 41.1% | 1,169,395 | 40.3% | 420,887 | 35.9% | 249,190 | 62.5% | 947,783 | 45.3% | 353,575 | 41.1% | 967,735 | 43.5% | 365,843 | 38.5% | 186,129 | 78.8% |
| Investment expenditures | | 1,597,768 | 55.3% | 612,541 | 55.2% | 1,604,105 | 55.3% | 711,645 | 60.6% | 127,200 | 31.9% | 966,884 | 46.2% | 459,879 | 53.5% | 1,082,080 | 48.6% | 537,488 | 56.6% | 22,444 | 9.5% |
| Financial expenditures | | 127,510 | 4.4% | 41,010 | 3.7% | 127,510 | 4.4% | 41,010 | 3.5% | 22,039 | 5.5% | 176,701 | 8.4% | 45,826 | 5.3% | 176,701 | 7.9% | 45,826 | 4.8% | 27,730 | 11.7% |
| Total of the Operating Section | | 1,290,195 | 44.7% | 496,643 | 44.8% | 1,296,905 | 44.7% | 461,897 | 39.4% | 271,229 | 68.1% | 1,124,484 | 53.8% | 399,401 | 46.5% | 1,144,436 | 51.4% | 411,669 | 43.4% | 213,859 | 90.5% |
| Reserves, surplus/deficit for the operating section | | - 0 | | 667,248 | | 1,455 | | 705,630 | | 169,336 | | - 0 | | - 45,543 | | - 0 | | - 33,081 | | 330,113 | |
| Total of the Development Section | | 1,597,768 | 55.3% | 612,541 | 55.2% | 1,604,105 | 55.3% | 711,645 | 60.6% | 127,200 | 31.9% | 966,884 | 46.2% | 459,879 | 53.5% | 1,082,080 | 48.6% | 537,488 | 56.6% | 22,444 | 9.5% |
| Reserves, surplus/deficit for the development section | | - 84,178 | | 737,148 | | - 85,633 | | 449,633 | | 69,833 | | - 199,076 | | 20,543 | | - 199,076 | | - 20,492 | | 183,819 | |

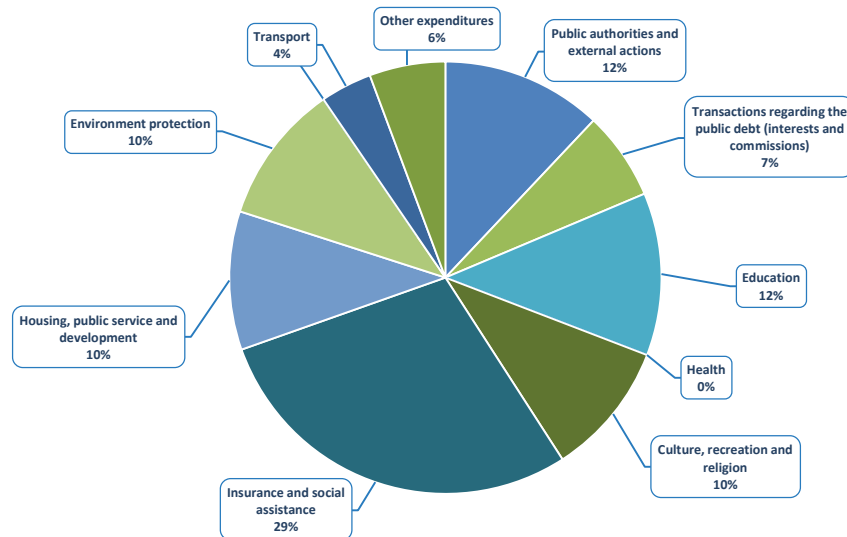
The variation of the performed expenditures at Q1 2024 vs. Q1 2023

Functional classification

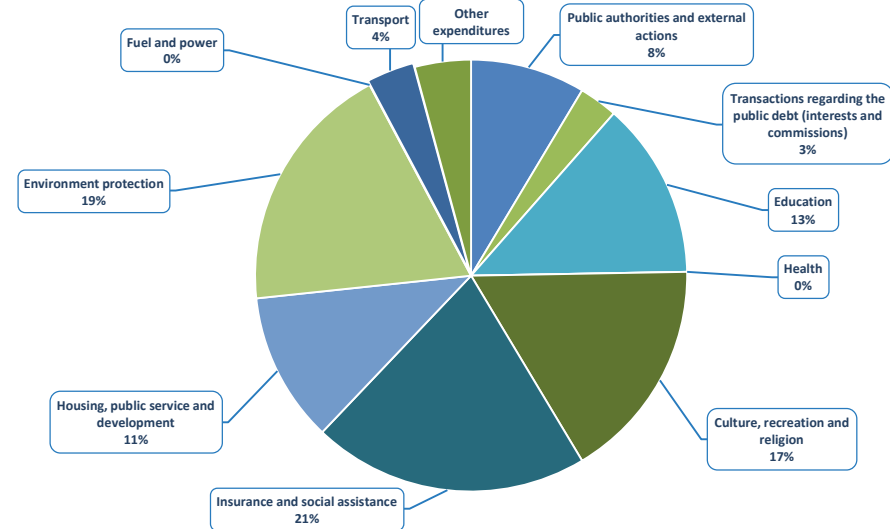
'000 RON



The structure of the payments performed at Q1 2024



The structure of the payments performed at Q1 2023



The level of total payments made increased by RON 162,126 th (+68.6%) above the budget execution of the reference period of the previous year.

- At the level of the **Environment Protection** chapter (+RON 50,515 th, +203.9%) there are higher payments for Sanitation (+RON 47,559 th, +192.3%) and Collection, treatment and destruction of waste (+RON 2,670 th);
- Within the chapter **Culture, recreation and religion** (+RON 42,656 th, +179.3%), there is an increase mainly from the paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 41,264 th, +178.2%). In addition, payments amounting to RON 900 th were recorded for Religious services (without execution in the same period of the previous year) and payments for Other services in the field of culture, recreation and religion (+RON 493 th, +78.6%);
- Within the **Education** chapter (+RON 23,935 th), payments increased for Pre-school and elementary education (+RON 20,547 th, +258.2%), School after school (+RON 4,032 th, +62.1%) and Before pre-school education (+RON 1,110 th, +88.3%) and payments for Auxiliary services for education amounting to RON 699 th were recorded (excluding such payments in Q1 2023). In contrast, payments for Secondary education were reduced (-RON 2,320 th, -18.5%);
- Within the chapter **Housing, public service and development** (+RON 20,258 th, +82.8%) there is an increase in payments at the level of Other expenditures in the housing system (+RON 16,208 th, +736%) and Other services for housing, public services and rural development (+RON 8,689 th, +50.3%) and the decrease of those for the Development of housing system (-RON 4,646 th, -92.9%);

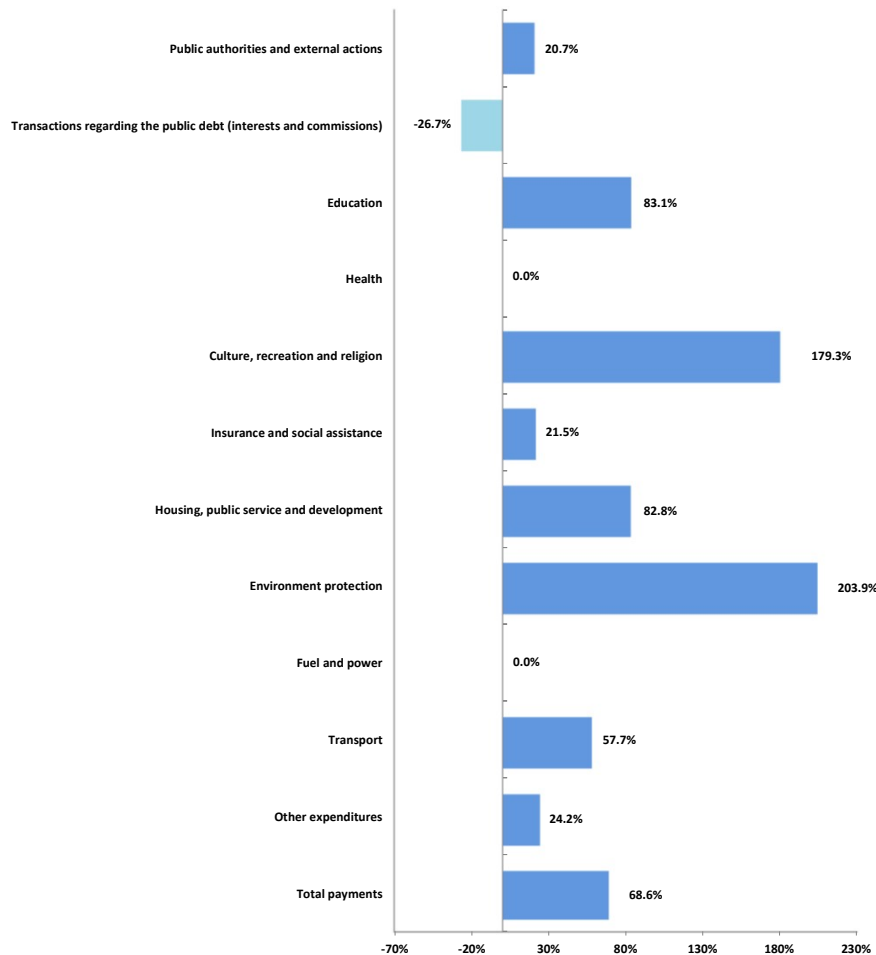
The variation of the performed expenditures at Q1 2024 vs. Q1 2023

Functional classification

'000 RON



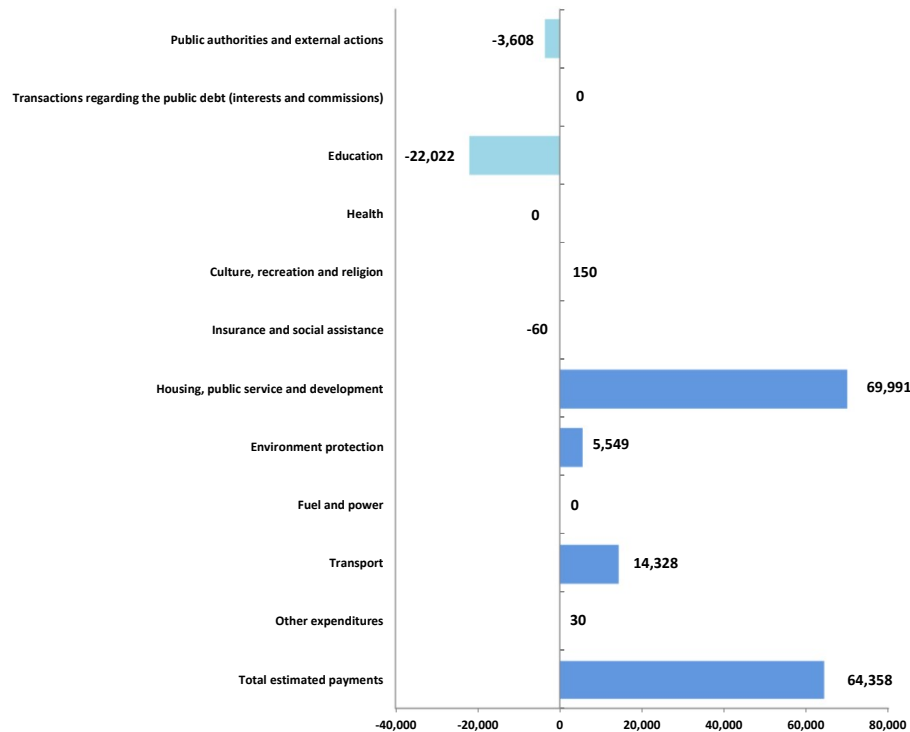
Functional expenditures variation



- Within the chapter **Insurance and social assistance** (+RON 14,587 th, +21.5%) the dynamics is influenced by payments for Social assistance for the disabled (+RON 8,138 th, +26.2%), Other expenditures in the social assistance field (+RON 6,843 th, +37.6%), Social assistance for family and children (+RON 1,823 th, +21.1%), sistance for the elderly (+RON 1,618 th, +45.7%), Units for medical and social assistance (+RON 406 th, +18%) and nurseries (worth RON 4,245 th in Q1 2023, without such payments in Q1 2024);
- **Public Authorities and external actions** (+RON 5,863 th, +20.7%);
- For the **Transport** chapter (+RON 5,238 th) higher payments are recorded in full at the level of paragraph Streets;
- For the chapter group **Other expenditures** (+RON 3,254 th, +24.2%) there is an increase in payments made for Local police (+RON 3,351 th, +32.9%) and a decrease in payments for Community public services for persons evidence (-RON 163 th, -5.1%);
- **Transactions regarding the public debt and loans** (-RON 4,178 th, -26.7%).



Functional expenditures rectification, as compared to the initial budget



The budget amendment for Q1 2024 targeted an increase in provisions by 5.8% (+RON 64,358 th), thus including allocations for the first three months of the year amounting to RON 1,173,542 th (without taking into account the forecasted result of the period). Thus, budgetary rectification provided:

- For the chapter **Housing, public services and development** (+RON 69,991 th, +34.4%) the final provisions are worth RON 273,653 th, being above the initial ones mainly at the level of those for Other expenditures in the housing system (+RON 69,990 th, +46.8%);
- Within the **Transport** chapter (+RON 14,328 th, +15.9%), the final provisions are worth RON 104,473 th, and the dynamics is fully observed at the level of the paragraph Streets;
- For the chapter **Environment protection** (+RON 5,549 th, +5.8%), the budget amendment increased the allocations to RON 101,092 th, which are above the level included in the initial budget, mainly for Collection, treatment and destruction of waste (+RON 5,021 th, +56.2%) and Pollution reduction and control (+RON 393 th, +19.7%);
- Within the **Education** chapter (-RON 22,022 th, -9.3%), the final provisions were worth RON 214,506 th, considering the allocations for: Secondary education (-RON 43,750 th, -51.8%), Before pre-school education (-RON 900 th, -2.4%), Pre-school and elementary education (+RON 21,226 th, +22%), School after school (+RON 846 th, +5.7%), Auxiliary services for education (+RON 500 th, +50%);
- **Public Authorities and external actions** (-RON 3,608 th, -2.5%), chapter containing total provisions amounting to RON 139,328 th.

For the entire year 2024, the last budget amendment in Q1 2024 includes provisions with RON 13,047 th (+0.5%) above the initial level, changes being found in the following expenditure chapters:

- **Environment protection** (+RON 21,157 th, +5.7%), changes in initial provisions are noted for: Collection, treatment and destruction of waste (+RON 17,126 th, +17.9%), Pollution reduction and control (+RON 3,897 th, 26.5%), Other services in the environment protection field (+RON 133 th, +19%);
- **Public Authorities and external actions** (+RON 15,054 th, +5.5%);
- **Education** (+RON 9,799 th, +1.8%), the dynamics of allocations being reflected as follows: Pre-school and elementary education (+RON 42,663 th, +13.4%), Auxiliary services for education (+RON 3,416 th, +179.8%), School after school (+RON 845 th), Secondary education (-RON 37,135 th, -28.1%);
- **Housing, services and public development** (-RON 13,625 th, -2.3%), as follows: Other expenditures in the housing system (-RON 13,725 th, -3.1%), Development of housing system (+RON 100 th, +0.9%);
- **Transport** (-RON 12,877 th, -5.2%), entirely by reducing the provisions for the Street paragraph;
- **Culture, recreation and religion** (-RON 6,600 th, -1.8%), given that the allocations for the Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 3,600 th, -1%) and those for Public institutions for shows and concerts (-RON 3,000 th, -75%) have been reduced.

Budgetary provisions

Functional classification

'000 RON



The list of investments (approved by LCD no. 69/26.03.2024)

| Functional chapter | Source of funding | Code | LOCAL BUDGET | CAPITAL EXPENDITURES | P.N.R.R. | NEF | TRANSFERS FOR INVESTMENTS | EXTERNAL BANK LOAN | INTERNAL BANK LOAN | TOTAL EXPENDITURES |
|--|-------------------|-------|------------------|----------------------|----------------|---------------|---------------------------|--------------------|--------------------|--------------------|
| Executives authorities | | 51.02 | 114,461 | 75,062 | - | 39,399 | - | - | - | 114,461 |
| Community public services for persons evidence | | 54.02 | - | - | - | - | - | - | - | - |
| Transactions regarding the public debt and loans | | 55.02 | - | - | - | - | - | - | - | - |
| Defense | | 60.02 | 117 | 117 | - | - | - | - | - | 117 |
| Public order and national security | | 61.02 | 2,771 | - | - | - | 2,771 | - | - | 2,771 |
| Education | | 65.02 | 352,858 | 66,875 | 278,939 | 7,044 | - | 19,216 | - | 372,074 |
| Health | | 66.02 | 4,855 | 4,855 | - | - | - | - | - | 4,855 |
| Culture, recreation and religion | | 67.02 | 211,853 | 211,853 | - | - | - | - | - | 211,853 |
| Insurance and social assistance | | 68.02 | 32,840 | 28,821 | 4,019 | - | - | - | - | 32,840 |
| Housing, public services and development | | 70.02 | 481,560 | 333,467 | 115,738 | 119 | 32,236 | 26,786 | 9,348 | 517,694 |
| Environment protection | | 74.02 | 196,393 | 119,973 | 15,898 | 26 | 60,496 | - | - | 196,393 |
| Fuel and power | | 81.02 | - | - | - | - | - | - | - | - |
| Transport | | 84.02 | 206,397 | 199,192 | 7,205 | - | - | - | - | 206,397 |
| Other economic actions | | 87.02 | - | - | - | - | - | - | - | - |
| TOTAL - source of financing | | | 1,604,105 | 1,040,215 | 421,798 | 46,589 | 95,503 | 46,002 | 9,348 | 1,659,454 |

The amended budget of 2024 includes projects totaling RON 1,659,454 th. The main investment objectives are found as follows:

- **Housing, services and public development:** Thermal rehabilitation of blocks (RON 458,785 th RON), Energy renovation of blocks (RON 14,210 th), Construction of nZEB plus dwellings for young people leaving the protection system (RON 9,449 th), Horizontal and vertical marking works (RON 6,309 th), Press / book kiosks and flowers (RON 5,700 th);
- **Education:** Modernization and thermal rehabilitation in kindergartens, secondary schools and school groups (RON 136,242 th), PT+ Execution of kindergarten buildings and construction of secondary schools, including consultancy and ISC quotas (RON 72,653 th), Construction of buildings with nursery function (RON 42,726 th), Ensuring facilities for school halls / laboratories / workshops (RON 41,521 th), Providing equipment and digital technological resources for educational units (RON 35,634 th);
- **Culture, Recreation and Religion:** Consolidation, expansion and modernization of Favorit cinema, including consultancy (RON 40,000 th), Line Park arrangement works (RON 29,576 th), Modernization of Grozavesti Park - land acquisition (RON 29,000 th), Parks and playgrounds arrangement works (RON 17,058 th), Arrangement of Lake Morii (RON 10,285 th), Landscaping works (RON 8,646 th), Arrangement of green spaces (RON 9,600 th), Rehabilitation of Crangasi Park stage (RON 4,812 th);
- **Transport:** Modernization of the road system of alleys, streets (RON 107,739 th), Capital repairs and related services related to the execution of works for ground parking (RON 28,465 th), Favorit Square arrangement works, including design (RON 11,334 th), Modernization and extension of the intelligent traffic light system (RON 7,205 th);
- **Environment protection:** Extension of the separate waste collection system (RON 96,851 th), Chassis with hookfit, basin, ladder and blade (RON 19,780 th), Building nZEB plus homes for young people leaving the protection system (RON 11,831 th), Building the equipment base on the land of 10,000sqm allocated by H.C.L. nr. 162/28.06.2022 located in Bd. Timisoara nr. 108C (RON 10,000 th), Development of recharging infrastructure for electric and/or plug-in hybrid vehicles, by installing recharging stations with normal power (RON 9,481 th), Sewerage network extension (RON 6,785 th), Multifunctional articulated equipment with attachments (RON 6,300 th), Medium self-sweepers (RON 5,448 th);
- **Executive authorities:** Modernization of educational units (RON 30,100 th), Purchase of containers (RON 24,000 th), Integrated video surveillance/monitoring system (RON 16,000 th);
- **Insurance and social assistance:** Food bank (RON 10,600 th), Facilities Medical imaging laboratory within CSM Sf. Nectarie (RON 8,687 th), Constructions and installations Imaging center (RON 5,239 th), Construction Center for outpatient neuromotor recovery services for adults with disabilities Constantin Brancusi (RON 3,979 th);
- **Health:** Drilling works, land mapping, photogrammetry, seismological determinations, consultancy (RON 1,955 th), building construction with hospital function, complex functions and organization of works execution, including updating technical and economic documentation (RON 2,300 th).

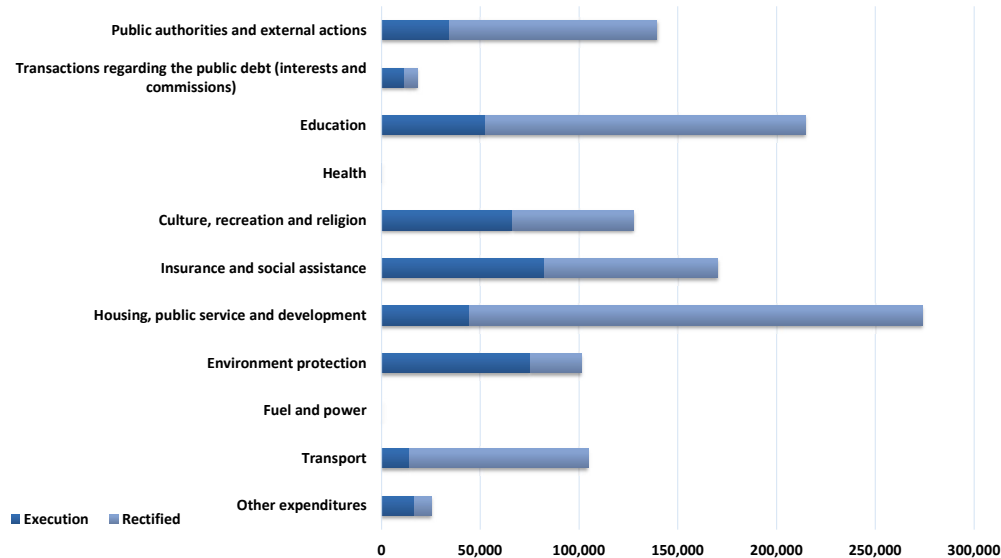
Budgetary provisions: achievement degree at Q1 2024

Functional classification

'000 RON



Achievement degree compared to the final provisions



Final budgetary provisions approved by LCD no. 69/26.03.2024

The payments made during the first three months of 2024 amount to RON 398,429 th, respectively RON 775,113 th below the level of budgetary provisions (recording an execution rate of 34%).

- Within the chapter **Housing, services and public development** (-RON 228,925 th, execution rate of 16.3%) are recorded payments below the estimated level mainly for Other expenditures in the housing system (-RON 201,205 th, -91.6%), Other services for housing, public services and rural development (-RON 14,313 th, -35.5%), Development of housing system (-RON 10,391 th, -96.7%), Public lighting and rural electrification (provisions worth RON 2,102 th, without execution) and Water supply (-RON 914 th, -99.2%);
- Within the **Education** chapter (-RON 161,773 th, execution rate of 24.6%), payments are below the level of estimates mainly for Pre-school and elementary education (-RON 89,127 th, -75.8%), Before pre-school education (-RON 34,968 th, -93.7%), Secondary education (-RON 30,399 th, -74.8%), School after school (-RON 5,036 th, -32.4%), Special education (-RON 1,397 th, -78.1%), Auxiliary services for education (-RON 801 th, -53.4%);
- **Public Authorities and external actions** (-RON 105,085 th, execution rate of 24.6%);
- Within the **Transport** chapter (-RON 90,151 th, execution rate of 13.7%), payments are below the level of estimates within paragraph Streets (-RON 82,946 th, -85.3%) and Public transportation (final provisions worth RON 7,205 th, without executed payments);
- Within the chapter **Insurance and social assistance** (-RON 87,508 th, execution rate of 48.5%), payments are below estimates and influences come from Other expenditures in the social assistance field (-RON 44,331 th, -63.9%), Social assistance for the disabled (-RON 23,069 th, -37.1%), Assistance for the elderly (-RON 7,126 th, -58%), Social assistance for family and children (-RON 12,919 th, -55.3%);
- The expenditures incurred within the chapter **Culture, Recreation and Religion** (-RON 60,881 th, 52.2% degree of execution) are below the level of planning, mostly with influences from the Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 57,002 th, -46.9%) and Other services in the field of culture, recreation and religion (-RON 3,530 th, -75.9%);
- Within the chapter **Environment protection** (-RON 25,799 th, 74.5% degree of execution), payments are below estimates, the dynamics being reflected as follows: Sanitation (-RON 11,955 th, -14.2%), Collection, treatment and destruction of waste (-RON 11,231 th, -80.5%), Pollution reduction and control (-RON 2,375 th, -99.2%);
- Chapter group **Other expenditures** (-RON 8,416 th, 66.5% degree of execution) register values below the level of budgetary provisions as follows: Local Police (-RON 4,399 th, -24.5%), Community public services for persons evidence (-RON 2,531 th, -45.6%), Budgetary reserve fund at the disposal of local authorities (final provisions worth RON 1,000 th), Civil protection and fire protection (nonmilitary civil protection) (-RON 337 th, -84.2%);
- **Transactions regarding the public debt and loans** (-RON 6,514 th, execution rate of 63.8%).

Investment expenditures: Execution level compared to provisions - at Q1 2024

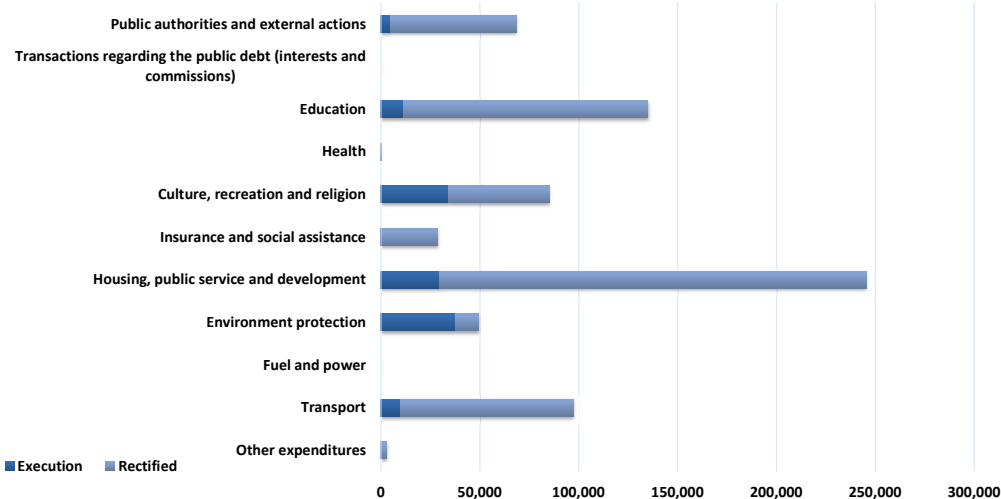




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- The variation of the performed expenditures at Q1 2024 vs. Q1 2023
- Budgetary provisions: the achievement degree of the revenues at Q1 2024
- Expenditures ratios

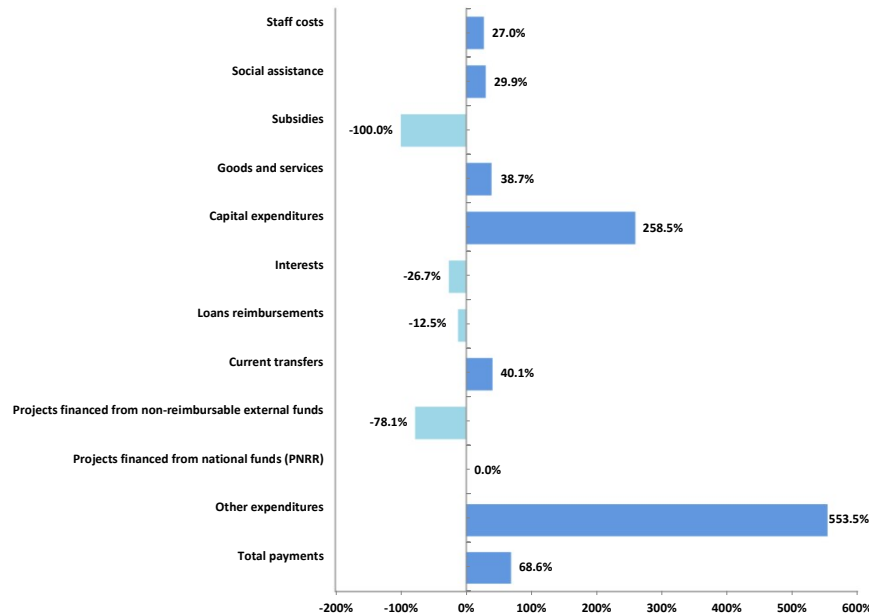
The variation of the performed expenditures at Q1 2024 vs. Q1 2023

Economic classification

'000 RON

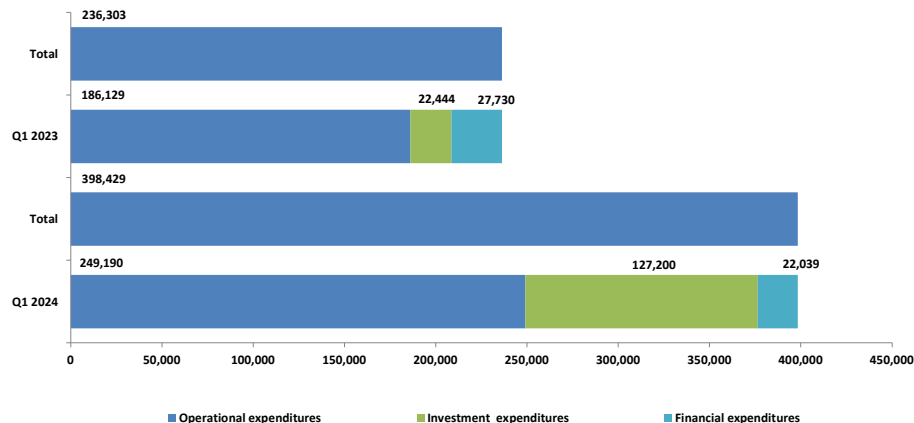


Economic expenditures variation



*The graph does not include the variation of internal transfers (+3.943,9%)

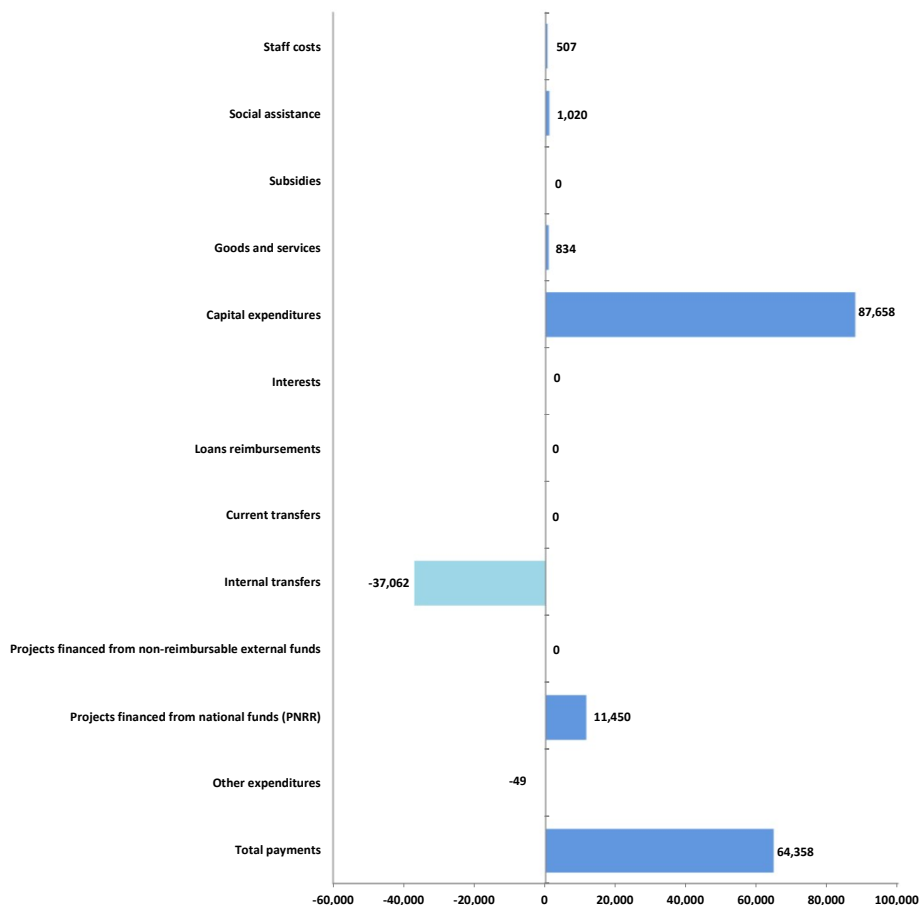
Expenditures structure



- Investment expenditures** recorded a value of RON 104,755 th (+466.7%) higher than the execution of the previous reference period. Thus, these payments are mainly represented by the following titles:
 - Capital expenditures** (+RON 46,542 th, +258.5%), with influences from payments for Constructions (+RON 29,023 th, +211.9%), Machines, equipments and means of conveyance (+RON 10,760 th), Other fixed assets (+RON 7,500 th), Furniture, office equipment and other tangible assets (+RON 597 th), respectively Capital repairs for fixed assets (-RON 1,338 th, -69.7%);
 - Capital transfers** (+RON 44,586 th), fully represented by Other capital transfers to the public institutions;
 - Projects financed from national funds**, with expenses registered in Q1 2024 amounting to RON 15,799 th, entirely for Projects financed from the amounts related to the loan component of PNRR (without amounts in Q1 2023);
 - Internal investment transfers**, with registered amounts of RON 396 th fully represented by Transfers from the local budget to IDAs (without payments in Q1 2023);
 - Projects financed from non-reimbursable external funds** (-RON 2,619 th, -78.1%) mainly related to the 2014-2020 financial framework, respectively Programs from European Fund for Regional Development (-RON 2,219 th, -78.3%) and from the Programs from European Social Fund (payments worth RON 461 th in Q1 2023, without such amounts registered in Q1 2024).
- Operational expenditures** recorded a level of RON 63,061 th (+33.9%) above that of the same period of the previous year, as a result of:
 - A higher level of payments for **Goods and Services** (+RON 30,249 th, +38.7%). The evolution is mainly highlighted at the level of payments for: Other materials and services for maintenance and functioning (+RON 19,039 th, +76.3%), Materials and services with functional character (+RON 8,408 th, +31.7%), Heating, lighting and driving force (+RON 3,810 th, +37.1%), Other expenses with materials and services changes (+RON 1,624 th, +35.7%), Food for people (+RON 587 th, +26.3%), Cleaning materials (+RON 340 th, +105.2%), Current repairs (-RON 2,030 th, -85%), Desk furniture (-RON 717 th, -71.9%), Consultancy and expertise (-RON 668 th, -83.2%), Water, sewerage and sanitation (-RON 460 th, -34.2%);
 - Increase in **Staff costs** (+RON 15,983 th, +27%) mainly driven by the increase in payments related to Base salary (+RON 9,144 th, +18.7%), Bonuses for working conditions (+RON 2,912 th, +90.9%), Fund for payments by the hour (+RON 2,336 th, +90.6%), Other remuneration rights paid in cash (+RON 1,413 th, +204.1%), Precautionary contribution for work (+RON 343 th, +26.5%);
 - Increase in payments for **Social assistance** (+RON 7,483 th, +29.9%), influences coming mainly from the paragraphs Social support in cash (+RON 6,185 th, +26.7%), Food support (worth RON 699 th, excluding such payments in the similar period of the previous year) and Social support in kind (+RON 599 th, +31.9%);
 - Increase in expenses with **internal transfers** (+RON 8,249 th) mainly by registering amounts amounting to RON 8,193 th related to the Financing of private or confessional accredited education;
 - Increase in expenses related to **Current Transfers** (+RON 6,598 th, +40.1%), in full Transfers to public institutions;
 - Decrease of the group **Other operational expenditures**, with majority influences from the paragraph Scholarships (payments worth RON 6,840 th in Q1 2023, without such amounts in Q1 2024), but also the registration of payments in the amount of RON 971 th for Associations and foundations and in the amount of RON 900 th for the Cults' support (without amounts in Q1 2023);
 - Lack of payments related to **Subsidies**, which amounted to RON 1,153 th in the similar period of the previous year).
- Financial expenditures** decreased by RON 5,690 th (-20.5%), respectively **Interests** payments were lower by RON 4,178 th (-26.7%), mainly due to major fluctuations of indices on the domestic banking market. At the same time, payments related to **Loans reimbursements** decreased by RON 1,512 th (-12.5%).



Economic expenditures rectification, as compared to the initial budget



• **Investment expenditures** for the first quarter of 2024 were included in the amended budget at RON 711,645 th, respectively RON 99,104 th above the initially planned provisions (+16.2%). The dynamics are transformed as follows:

- **Capital expenditures** (+RON 87,658 th, +28.5%), up to RON 394,919 th, including higher allocations for Constructions (+RON 80,750 th, +42.9%), Capital repairs for fixed assets (+RON 6,000 th, +44.4%), Other fixed assets (+RON 3,915 th, +6.4%), Machines, equipments and means of conveyance (+RON 1,015 th, +4%). Also, the provisions for Furniture, office equipment and other tangible assets were diminished (-RON 4,022 th, -20.4%);
- At the level of **Projects financed from national funds** (+RON 11,450 th, +5.3%), the final allocations were increased to RON 226,877 th, mainly at the level of Projects financed from the amounts related to the loan component of PNRR (+RON 11,350 th, +6.4%).
- At the level of **Operational Expenditures**, for the first three months of this year, provisions were included by RON 34,746 th (-7.6%) below those of the initial budget, respectively a total value of RON 420,887 th. The dynamics is determined by the following changes:
 - The value of **Internal Transfers** (-RON 37,058 th, -70.3%) was rectified by decrease to RON 15,670 th, mainly at the level of the amounts related to the Financing of private or confessional accredited education (-RON 37,058 th, -74.7%);
 - **Social assistance** (+RON 1,020 th, +1.9%), with final provisions amounting to RON 54,683 th, which are higher than the initial ones, mainly for Food support (+RON 500 th, +50%) and Social support in kind (+RON 500 th, +14.1%);
 - **Staff costs** with estimates increased in the final budget up to RON 122,163 th (+RON 507 th, +0.4%), mainly through higher allocations for the Fund for payments by the hour (+RON 650 th, +10.6%) and lower allocations for Base salary (-RON 123 th, -0.1%);
 - **Goods and services** (+RON 834 th, +0.4%) with increases to RON 191,110 th, dynamics being observed mainly in the following lines: Other materials and services for maintenance and functioning (+RON 665 th, +1%), Heating, lighting and driving force (+RON 333 th, +1.8%), Other expenses with materials and services changes (+RON 220 th, +1.8%), Professional training (+RON 109 th, +9.2%), Other registered materials (+RON 105 th, +1.6%), Current repairs (-RON 555 th, -5.2%).

At the level of 2024, in terms of economic classification, the last budget amendment in Q1 2024 provides for changes at the level of the following groups:

- **Operational expenditures** (+RON 6,710 th, +0.6%), with influences on final allocations for: Social assistance (+RON 4,407 th, +3.2%), Internal transfers (+RON 2,649 th, +4.5%), Staff costs (+RON 909 th, +0.3%), Goods and services (-RON 1,155 th, -0.2%);
- **Investment expenditures** (+RON 6,337 th, +0.4%), the changes being distributed as follows: Capital expenditures (+RON 5,304 th, +0.5%), Projects financed from national funds (+RON 1,038 th, +0.2%).

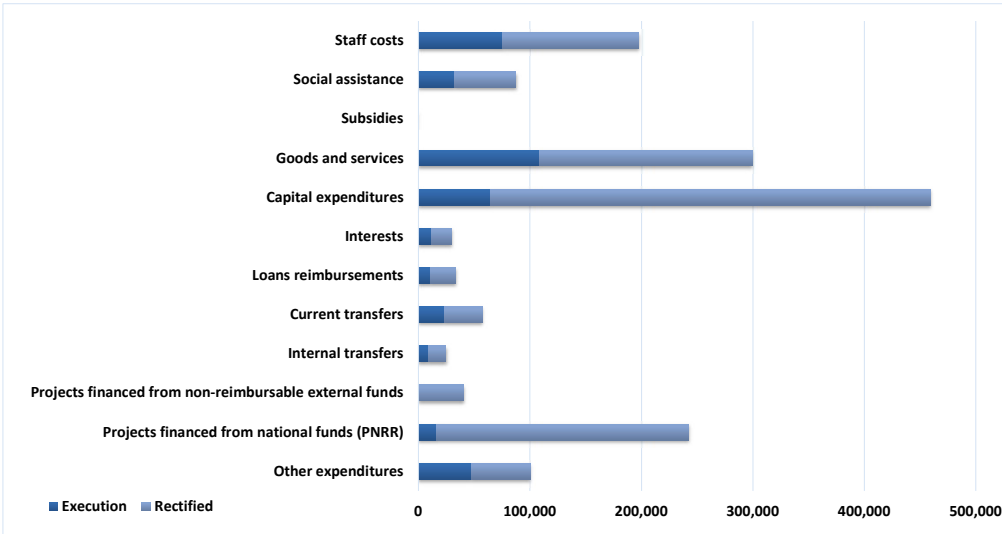
Budgetary provisions: achievement degree at Q1 2024

Functional/economic classification

'000 RON



Execution level compared to provisions - at Q1 2024



Final budgetary provisions approved by LCD no. 69/26.03.2024

- **Investment expenditures** reach a level of payments of RON 584,445 th below the final allocations (execution rate of 17.9%) and are distributed as follows:
 - **Capital expenditures** (-RON 330,371 th, degree of achievement of 16.3%) are below the estimated level, the main variation coming from payments for Constructions (-RON 226,088 th, -84.1%), Other fixed assets (-RON 55,693 th, -86.1%), Capital repairs for fixed assets (-RON 18,920 th, -97%), Furniture, office equipment and other tangible assets (-RON 15,055 th, -95.8%) and Machines, equipments and means of conveyance (-RON 14,614 th, -55.8%);
 - **Projects financed from national funds** (-RON 211,079 th, 7% degree of achievement) have a budget execution in Q1 2024 the final provisions of the period, the dynamics being observed at the level of payments for Projects financed from the amounts related to the loan component of PNRR (-RON 172,412 th, -91.6%) and those financed from the projects with financing from the amounts representing the non-reimbursable financial assistance related to PNRR (provided at the value of RON 38,666 th, but not executed);

Execution level compared to provisions - at Q1 2024

| Budgetary chapter | TOTAL EXPENDITURES | Operational expenditures, out of which: | | | | Investment expenditures, out of which: | | | | |
|--|--------------------|---|----------------|---------------------|-------------------|--|-------------------------|----------------------|----------------|-----------------|
| | | Total Operational Expenditures | Staff costs | Goods and services* | Social assistance | Financial expenditures | Investment expenditures | Capital expenditures | NEF | PNRR |
| Public Authorities and external actions | -105,085 | -41,296 | -16,659 | -23,686 | 0 | 0 | -63,789 | -25,102 | -38,672 | 0 |
| Other general public services | -3,531 | -3,531 | 0 | -126 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transactions regarding the public debt and loans | -6,514 | 0 | 0 | 0 | 0 | -6,514 | 0 | 0 | 0 | 0 |
| General transfers between different levels of administration | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Defense | -148 | -148 | 0 | -148 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public order and national security | -4,736 | -1,965 | 0 | -435 | 0 | 0 | -2,771 | 0 | 0 | 0 |
| Education | -161,773 | -38,263 | -3,096 | -28,124 | -2,684 | 0 | -123,510 | -23,729 | -307 | -99,474 |
| Health | -60 | 0 | 0 | 0 | 0 | 0 | -60 | -60 | 0 | 0 |
| Culture, recreation and religion | -60,881 | -10,085 | -344 | -6,175 | 0 | 0 | -50,796 | -50,768 | 0 | 0 |
| Insurance and social assistance | -87,508 | -58,994 | -26,590 | -12,743 | -19,472 | 0 | -28,515 | -28,475 | 0 | -40 |
| Housing, public services and development | -228,925 | -914 | -202 | -710 | 0 | -12,457 | -215,554 | -110,253 | -112 | -104,360 |
| Environment protection | -25,799 | -13,869 | 0 | -8,077 | 0 | 0 | -11,930 | -11,669 | -26 | 0 |
| General economic, commercial and working actions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fuel and power | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Agriculture, Forestry, Fish breeding and Hunting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transport | -90,151 | -2,631 | -59 | -2,572 | 0 | 0 | -87,519 | -80,314 | 0 | -7,205 |
| Other economic actions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | -775,113 | -171,697 | -46,950 | -82,798 | -22,156 | -18,971 | -584,445 | -330,371 | -39,117 | -211,079 |

*) Goods and services, within the Operational expenditures, does not include the Commissions and other costs related to loans, the mentioned amounts being reflected within the Financial expenditures



Execution level compared to provisions - at Q1 2024

- Projects financed from non-reimbursable external funds (-RON 39,117 th, 1.8% degree of achievement) register payments below estimates, the influences being observed mainly at the level of Cohesion Fund (-RON 36,809 th, -98.4%), Other post adhesion facilities and instruments (-RON 1,665 th, -97.1%) and Programs from the European Regional Development Fund (ERDF), related to the financial framework 2021-2027 (-RON 601 th, -89,3%);
- Capital transfers (-RON 3,835 th, 92.3% degree of achievement), with an execution under the final budgetary provisions in full at the level of Other capital transfers to the public institutions.
- **Operational expenditures** register a level of RON 171,697 th below the provisions, respectively an execution rate of 59.2%. Expenditures lower than the provisions are reflected in the titles:
 - Goods and services (-RON 82,798 th, degree of achievement of 56.7%) expenses being below the estimated level mainly for: Other materials and services for maintenance and functioning (-RON 20,843 th, -32.2%), Materials and services with functional character (-RON 11,548 th, -24.8%), Current repairs (-RON 9,705 th, -96.4%), Water, sewerage and sanitation (-RON 7,393 th, -89.3%), Other expenditures with goods and services (-RON 6,189 th, -50.1%), Other registered materials (-RON 5,804 th, -88.5%), Consultancy and expertise (-RON 5,066 th, -97.4%), Heating, lighting and driving force (-RON 5,016 th, -26.3%), Food for people (-RON 2,904 th, -50.7%), Desk furniture (-RON 2,079 th, -88.1%), Cleaning materials (-RON 1,543 th, -69.9%), Professional training (-RON 1,143 th, -88.7%), Postal services, telecommunications, radio, TV, internet (-RON 741 th, -49.6%), Fuels and lubricants (-RON 534 th, -37.5%);
 - Staff costs (-RON 46,950 th, 61.6% degree of achievement) being below the budgetary provisions, the influences coming mainly from payments for: Base salary (-RON 31,722 th, -35.4%), Bonuses for working conditions (-RON 4,469 th, -42.2%), Holiday vouchers (-RON 2,940 th, -99.9%), Other remuneration rights paid in cash (-RON 2,270 th, -51.9%), Allowances for food (-RON 2,121 th, -48.6%), Fund for payments by the hour (-RON 1,844 th), Precautionary contribution for work (-RON 1,195 th, -42.2%);
 - Social assistance (-RON 22,156 th, 59.5% degree of achievement), registered payments being below the budget, due to a low level of payments related to Social support in cash (-RON 19,766 th, -40.2%), in kind (-RON 1,577 th, -38.9%) and Food support (-RON 801 th, -53.4%);
 - Current transfers (-RON 11,157 th, 67.4% degree of achievement), the payments made being below the level of budgetary provisions, with full influences from Transfers to public institutions;
 - Internal transfers (-RON 7,418 th, 52.7% degree of achievement), being under provisions, with influences from payments for Financing of private or confessional accredited education (-RON 4,347 th, -34.7%), Amounts representing the incentive for scrapping used vehicles (-RON 1,982 th, -99.1%) and Other current internal transfers (-RON 1,090 th, -96.5%);
 - Other operational expenditures, with an execution under provisions and influences mainly from payments for Emergency fund for local authorities (final provisions amounting to RON 1,000 th, without executed amounts), Associations and foundations (-RON 483 th, -33.2%), Amounts related to unfitted disabled individuals (-RON 190 th, -45.8%) and Cults' support (-RON 100 th, -10%).
- **Financial expenditures** are RON 18,971 th below the estimated level (execution rate of 53.7%), the influences coming from payments for Interests (-RON 6,504 th, -36.1%) and for Loans reimbursements (-RON 12,457 th, -54.2%).

Expenditures ratios

at Q1 2024, as compared to Q1 2023

'000 RON



| Ratios | Q1 2024 | Q1 2023 |
|--|----------------|----------------|
| Total staff costs | 75,213 | 59,230 |
| Expenditures per Capita* | 189 | 149 |
| The expenditure weight in the operational expenditures | 30.2% | 31.8% |
| Staff costs without the ones for the Insurance and social assistance chapter | 35,132 | 25,872 |
| Expenditures per Capita* | 88 | 65 |
| The expenditure weight in the operational expenditures | 14.1% | 13.9% |
| Current compulsory expenditures | 107,740 | 84,274 |
| Expenditures per Capita* | 271 | 212 |
| The expenditure weight in the operational expenditures | 43.2% | 45.3% |
| Operational expenditures | 249,190 | 186,129 |
| Expenditures per Capita* | 627 | 468 |
| The expenditure weight in the total expenditures | 62.5% | 78.8% |
| Expenditures on debt service financing | 22,039 | 27,730 |
| Expenditures per Capita* | 55 | 70 |
| The expenditure weight in the total expenditures | 5.5% | 11.7% |
| Total expenditures on investments | 127,200 | 22,444 |
| Expenditures per Capita* | 320 | 56 |
| The expenditure weight in the total expenditures | 31.9% | 9.5% |
| The expenditures' rigidity | 18.9% | 25.1% |
| The weight of the payments from the operating section in the total payments | 68.1% | 90.5% |
| The weight of the payments from the development section in the total payments | 31.9% | 9.5% |
| The deficit/the surplus of the operating section | 169,336 | 330,113 |
| The deficit/the surplus of the development section | 69,833 | 183,819 |
| The weight of the local public debt service in the total made payments | 5.5% | 11.7% |
| Maximum annual debt | 342,165 | 281,283 |
| Net direct debt | 158,073 | 153,128 |
| Direct indebtedness level | 10.8% | 13.7% |
| Net public debt | 158,073 | 133,705 |
| Public indebtedness level | 10.8% | 15.7% |
| The total expenditures achievement degree from the initial budget | 35.9% | 27.5% |
| The funds execution level of the expenditures | | |
| Operational expenditures | 54.7% | 52.6% |
| Staff costs | 61.8% | 57.0% |
| Current compulsory expenditures | 61.5% | 55.0% |
| On debt service financing | 53.7% | 60.5% |
| On investments | 20.8% | 4.9% |
| The funds absorption level of the total expenditures | 72.0% | 72.0% |
| Investment expenditures / Operational revenues | 12.2% | 12.2% |
| Capita, | 397,548 | 397,847 |
| as of: | 1/1/2023 | 1/1/2022 |

*The expenditures per Capita are represented in RON

- **Total staff costs** incurred in Q1 2024 increased by RON 15,983 th (+27%), compared to the previous period, the dynamics being impacted by the increase in payments with Basic salary (+RON 9,144 th, +18.7%), Bonuses for working conditions (+RON 2,912 th, +90.9%), Fund for payments by the hour (+RON 2,336 th, +90.6%), Other remuneration rights paid in cash (+RON 1,413 th, +204.1%), Precautionary contribution for work (+RON 343 th, +26.5%);
- **Current compulsory expenditures** increased by RON 23,466 th (+27.8%) compared to the level reached in Q1 2023, as a result of:
 - Increase of total Staff costs;
 - A higher level of payments for Social Assistance (+RON 7,483 th, +29.9%).
- **The operational expenditures** incurred register a level of RON 63,061 th (+33.9%) above the payments for Q1 2023, the evolution being determined by:
 - A higher level of payments for Goods and Services by RON 30,249 th (+38.7%);
 - Increase of total staff costs;
 - Increase payments for Social Assistance;
 - Increase in expenses with internal transfers (+RON 8,249 th);
 - Increase in expenses related to Current Transfers (+RON 6,598 th, +40.1%);
 - Decrease of the group Other operational expenditures, with majority influences from the paragraph Scholarships (payments worth RON 6,840 th in Q1 2023, without such amounts in Q1 2024), but also the registration of payments in the amount of RON 971 th for Associations and foundations and in the amount of RON 900 th for the Cults' support (without amounts in Q1 2023);
 - Lack of payments related to subsidies, which amounted to RON 1,153 th in the similar period of the previous year).
- **Expenditures on debt service financing** in Q1 2024 decreased by RON 5,690 th (-20.5%), respectively interests expenditures are lower by RON 4,178 th (-26.7%) and those for loan Reimbursements decreased by RON 1,512 th (-12.5%).
- **Total investment expenditures** during the first three months of this year increased by RON 104,755 th (+466.7%) and are mainly represented by: Capital expenditures (+RON 46,542 th, +258.5%), Capital transfers (+RON 44,586 th, +816%), Projects financed from national funds (expenses recorded in Q1 2024 amounting to RON 15,799 th, without amounts in Q1 2023), Internal investment transfers (registered amounts of RON 396 th, without payments in Q1 2023), Projects financed from non-reimbursable external funds (-RON 2,619 th, -78.1%).



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Section IV:

- Balance sheet
- Local public debt service



Balance sheet at 31.03.2024

| Balance sheet | 3/31/2023 | | | 12/31/2023 | | | 3/31/2024 | | |
|---|-------------------|-------------|--------------|-------------------|-------------|--------------|-------------------|-------------|--------------|
| Current assets | 1,406,132 | | 13.7% | 1,355,547 | | 12.7% | 1,139,201 | | 10.8% |
| Cash and cash equivalent | 596,475 | 42.4% | 5.8% | 157,879 | 11.6% | 1.5% | 309,026 | 27.1% | 2.9% |
| Inventories | 150,003 | 10.7% | 1.5% | 156,535 | 11.5% | 1.5% | 156,984 | 13.8% | 1.5% |
| Receivables | 659,653 | 46.9% | 6.4% | 1,040,975 | 76.8% | 9.7% | 663,473 | 58.2% | 6.3% |
| Short term investments | - | - | - | - | - | - | - | - | - |
| Other current assets | 1 | 0.0% | 0.0% | 158 | 0.0% | 0.0% | 9,718 | 0.9% | 0.1% |
| Fixed assets | 8,881,794 | 0.0% | 86.3% | 9,359,376 | 0.0% | 87.3% | 9,448,877 | 0.0% | 89.2% |
| Intangible assets | 7,763 | 0.1% | 0.1% | 10,166 | 0.1% | 0.1% | 9,179 | 0.1% | 0.1% |
| Tangible assets | 8,867,287 | 99.8% | 86.2% | 9,339,725 | 99.8% | 87.2% | 9,428,376 | 99.8% | 89.0% |
| Other fixed assets | 6,744 | 0.1% | 0.1% | 9,486 | 0.1% | 0.1% | 11,322 | 0.1% | 0.1% |
| Total assets | 10,287,925 | | | 10,714,924 | | | 10,588,078 | | |
| Current liabilities | 267,134 | | 2.6% | 720,201 | | 6.7% | 221,324 | | 2.1% |
| ST borrowings and CP of LT debt | 202,082 | 75.6% | 2.0% | - | - | - | 88,158 | 39.8% | 0.8% |
| Accounts payable | 23,985 | 9.0% | 0.2% | 666,554 | 92.6% | 6.2% | 103,084 | 46.6% | 1.0% |
| Short term provisions | 975 | 0.4% | 0.0% | - | - | - | - | - | - |
| Other short term debts | 40,090 | 15.0% | 0.4% | 53,647 | 7.4% | 0.5% | 30,082 | 13.6% | 0.3% |
| Long term debts | 1,411,271 | 0.0% | 13.7% | 1,215,637 | 0.0% | 11.3% | 1,201,698 | 0.0% | 11.3% |
| Long term loans | 1,404,962 | 99.6% | 13.7% | 1,200,936 | 98.8% | 11.2% | 1,190,030 | 99.0% | 11.2% |
| Other long term debts | 6,210 | 0.4% | 0.1% | 3,688 | 0.3% | 0.0% | 11,668 | 1.0% | 0.1% |
| Provisions | 100 | 0.0% | 0.0% | 11,014 | 0.9% | 0.1% | - | - | - |
| Equity and reserves | 8,609,521 | | 83.7% | 8,779,085 | | 81.9% | 9,165,055 | | 86.6% |
| Total liabilities | 10,287,925 | | | 10,714,924 | | | 10,588,078 | | |
| Current liquidity ratio (Current assets / Current liabilities) | 5.3 | | | 1.9 | | | 5.1 | | |
| Indebtedness level (Borrowed capital /Total liabilities) | 13.7 | | | 11.2 | | | 11.2 | | |

- The **Total Assets** recorded a value of -RON 126,845.9 th (-1.2%) below the level registered at the end of 2023, as a result of a decrease in Current Assets (-RON 216,346.6 th, -16%) and an increase in Fixed Assets (+RON 89,500.7 th, +1%).
- The decrease in **Current Assets** is mainly due to a lower level of Receivables (-RON 377,502 th, -36.3%), combined with a higher level of Cash and Cash Equivalents (+RON 151,146.7 th, +95.7%).
- The increase in **Fixed Assets** is primarily determined by a higher level of Tangible Assets (+RON 88,651.6 th, +0.9%), with major influences from Buildings and Land.
- The **Current liabilities** decreased by -RON 498,876.5 th (-69.3%), mainly at the level of Accounts payable (-RON 563,469.4 th, -84.5%), while there are ST borrowings and CP of LT debt amounting to RON 88,158.3 th (with no balance in Q4 2022).
- The **Provisions** recorded an increase of 385,969.8 thousand RON (+4.4%).
- **Long-term debts** are decreasing at the end of the reporting period (-RON 13,939.3 th, -1.1%), considering the decrease in the balance of Long term loans (-RON 10,905.5 th, -0.9%), combined with an increase in the value of Other long-term liabilities (+RON 7,980.1 th).
- **The current liquidity ratio** is 5.1 at the end of the first three months of 2024, compared to 1.9 at the end of 2023, as a result of the decrease in Current liabilities within one year (-69.3%) and in Current Assets (-16%).

Local public debt service at 31.03.2024

'000 RON



| Debt and liquidity | 31/12/2024 |
|--------------------------------------|------------|
| New credit withdrawals in the period | - |
| Direct debt service | 21,738 |
| Direct indebtedness rate | 1.9% |
| Public debt service | 21,738 |
| Public indebtedness rate | 1.9% |

| Payout | 31/12/2024 |
|-----------------------|------------|
| Payout 2Y - 2 years | 266,214 |
| Payout 5Y - 5 years | 660,915 |
| Payout 10Y - 10 years | 1,108,938 |
| Payout 15Y - 15 years | 1,381,270 |

| | |
|--|-------|
| Public Debt Service as % of Operational Revenues | 4.1% |
| Public Debt Service as % of Operational Expenditures | 8.7% |
| Long term debt % Own Funds | 13.0% |
| Long term debt / Own Revenues (1.x) | 2.6 |

| | |
|--------------------------------|-------------|
| Total revenues per capita | 1,603.8 RON |
| Own revenues per capita | 1,172.0 RON |
| Public Debt Service per capita | 54.7 RON |
| Long-term loans per capita | 3.0 RON |

| | 2023 ¹⁾ | 2024 ²⁾ | 2025 ²⁾ | 2026 ²⁾ | 2027 ²⁾ |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total revenues | 1,720,303 | 2,816,832 | 2,845,001 | 2,873,451 | 2,902,185 |
| Own revenues ³⁾ | 1,416,492 | 1,298,567 | 1,311,553 | 1,324,668 | 1,337,915 |
| Indebtedness capacity | 281,283 | 342,165 | 384,626 | 402,661 | 393,479 |
| Public debt service ⁴⁾ | 144,913 | 123,210 | 136,038 | 150,874 | 131,614 |

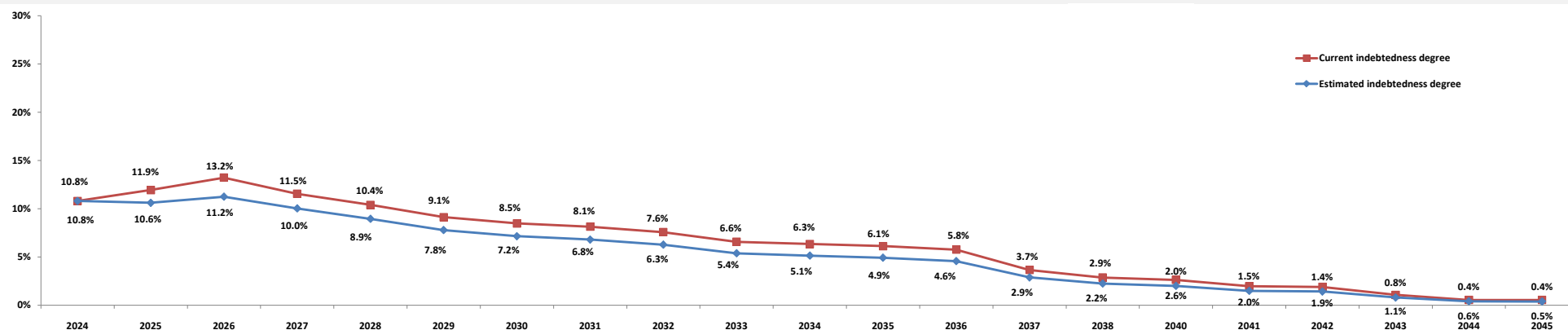
1) Revenues collected as of 31.03.2024

2) 2024: Rectified budget; Forecast, revenues growth rate of 1% computed annually;

3) 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)

4) TUD estimated values for the period of 2024-2027, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 31.03.2024

Indebtedness level forecast for the period of 2024 - 2045



Note:

- The projected debt ratio has been calculated considering the contractual provisions, the monetary market conditions as of 31.03.2024, and the own forecasts: a 1% increase in own revenues thereafter;
- According to Government Emergency Ordinance No. 46 of 23/05/2007, for completing Article 63 of Law No. 273/2006 on local public finances, "loans contracted and/or guaranteed by administrative-territorial units to ensure pre-financing and/or co-financing of projects benefiting from non-reimbursable external funds for pre-accession and post-accession from the European Union are exempt from the provisions of paragraph (4)", respectively the inclusion in the maximum debt ceiling;
- The debt capacity represents 30% of the arithmetic average of own revenues realized in the last 3 years, for the current year.



Glossary of terms

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|---|---|
| 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 |
| 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 Revenues | The difference between Financial Operations and Amounts allocated from the Development and Investment Fund; |
| Financial Expenditures | The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans; |
| 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 | 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 the reporting date; |
| 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; |



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The completion of this report by TUD would not have been possible without the support of the municipality's employees.

The documents that formed the basis for the preparation of this report are: the execution account for 31.03.2024, as well as that of 31.03.2023, the initial budget of the year 2024 approved by HCL no. 14 dated 08.02.2024 and that of 2023 approved by HCL no. 16 dated 02.02.2023, the revised budget by HCL no. 69 dated 26.03.2024 and the associated investment lists, as well as the revised budget by HCL no. 50 dated 20.03.2023.

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