



## District 6 of the Bucharest Municipality



**Quarterly financial report**  
at 30.09.2023



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# General overview



## General information

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

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

District 6 is the second largest in 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
Land fund surface (2014) - km <sup>2</sup>	238	1,821
Green areas suraface in municipalities/cities (2022) - km <sup>2</sup>	45	73
Length of city roads (2022) - km	3,247	4,257
Distribution simple network for drinking water (2022) - km	2,539	4,280
Simple length of sewer pipes (2022) - km	3,460	4,645
Total gas distribution network length (2021) - km	2,174	4,666
Distributed thermal energy Gcal (2022)	2,446,124	2,453,700

Population (01.01.2023)	District 6	Bucharest	B-IF Region
Total	397,548	2,160,169	2,656,449
Gender distribution			
female	212,972	1,149,041	1,404,953
male	184,576	1,011,128	1,251,496
Distribution by age categories			
0-19 years	68,373	390,729	500,701
20-59 years	229,675	1,242,332	1,542,603
60 years and above	99,500	527,108	613,145
Distribution by environment			
urban	397,548	2,160,169	2,388,774
rural	-	-	267,675

Workforce	Bucharest	B-IF Region
Work resources - th persons (2022)	1,314	1,692
Work resources occupancy rate (2021)	97.1%	88.5%
Number of employees - th persons (2022)	1,074	1,256
Unemployment rate (June 2023)	0.9%	0.9%

## National economy

Annual GDP, current prices (seasonally adjusted) CAEN Rev. 2 - RON million	2019	1,059,680
	2020	1,063,974
	2021	1,177,937
	2022	1,054,850

## Turnover of local units

	Bucuresti	Regiune B-IF
Total (2021, RON million), out of which:	580,350	710,048
Manufacturing industry	41,939	64,817
Constructions	40,926	50,181
Commerce	285,729	359,426
Transports and storage	21,277	30,196
Other services	190,479	205,428

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

## Infrastructure

### Current infrastructure

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

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

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

### Sustainable Urban Mobility Plan 2016 – 2030

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

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

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

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

Ratios 30.09.2023 (th RON)	PMB	District 1	District 2	District 3	District 4	District 5	District 6
<b>Total revenues, w/o sums used from previous surplus</b>	<b>5,187,586</b>	<b>1,263,724</b>	<b>1,321,101</b>	<b>1,517,812</b>	<b>1,229,681</b>	<b>899,613</b>	<b>1,332,008</b>
Own revenues	4,813,217	1,086,383	1,092,565	1,326,493	948,262	779,205	1,099,327
Own revenues % TR	92.8%	86.0%	82.7%	87.4%	77.1%	86.6%	82.5%
Quotas and sums deducted from the income tax	4,643,260	672,220	787,961	1,021,213	700,492	625,254	836,120
Sums deducted from VAT	24,323	172,515	189,026	183,822	142,859	114,890	169,266
Subsidies	191,931	1,779	34,386	2,854	100,859	1,743	42,062
Sums received from EU	158,115	3,031	3,792	4,609	1,631	1,798	21,111
<b>Total expenditures</b>	<b>4,491,130</b>	<b>845,760</b>	<b>974,718</b>	<b>1,162,298</b>	<b>1,199,312</b>	<b>813,726</b>	<b>1,018,906</b>
Operational expenditures	3,593,371	740,735	665,098	734,961	676,568	642,821	645,604
Operational expenditures % TP	80.0%	87.6%	68.2%	63.2%	56.4%	79.0%	63.4%
Investment expenditures, out of which:	557,260	40,776	254,203	326,484	412,587	94,113	276,179
Capital expenditures	200	36,569	150,589	321,352	295,015	87,795	192,588
Non - refundable external funds	277,577	3,604	27,284	1,632	38,135	5,207	40,106
Financial expenditures	340,499	64,249	55,418	100,853	110,157	76,792	97,123
<b>Result of the period, w/o sums used from previous surplus</b>	<b>696,456</b>	<b>417,964</b>	<b>346,383</b>	<b>355,514</b>	<b>30,370</b>	<b>85,887</b>	<b>313,102</b>
<b>Sums used from previous surplus</b>	<b>0</b>	<b>746,343</b>	<b>138,002</b>	<b>0</b>	<b>16,214</b>	<b>16,032</b>	<b>199,076</b>
Population (01.01.2023)	2,160,169	265,633	364,603	491,538	337,071	303,776	397,548

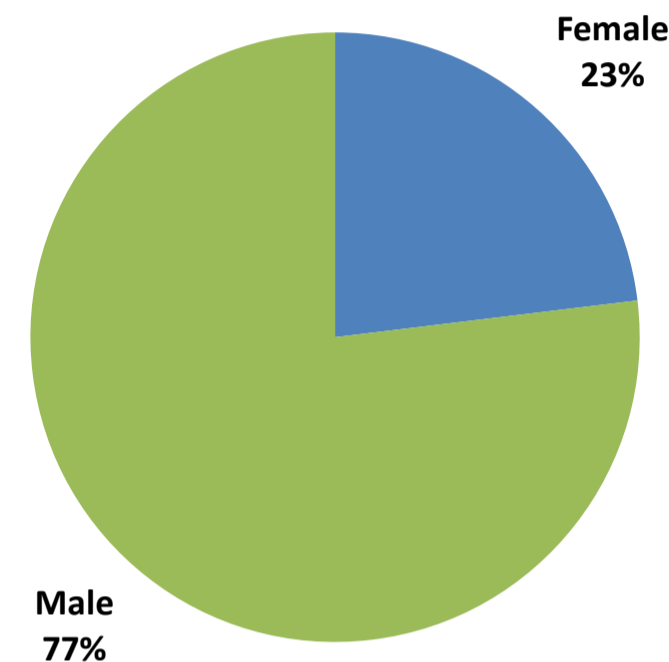
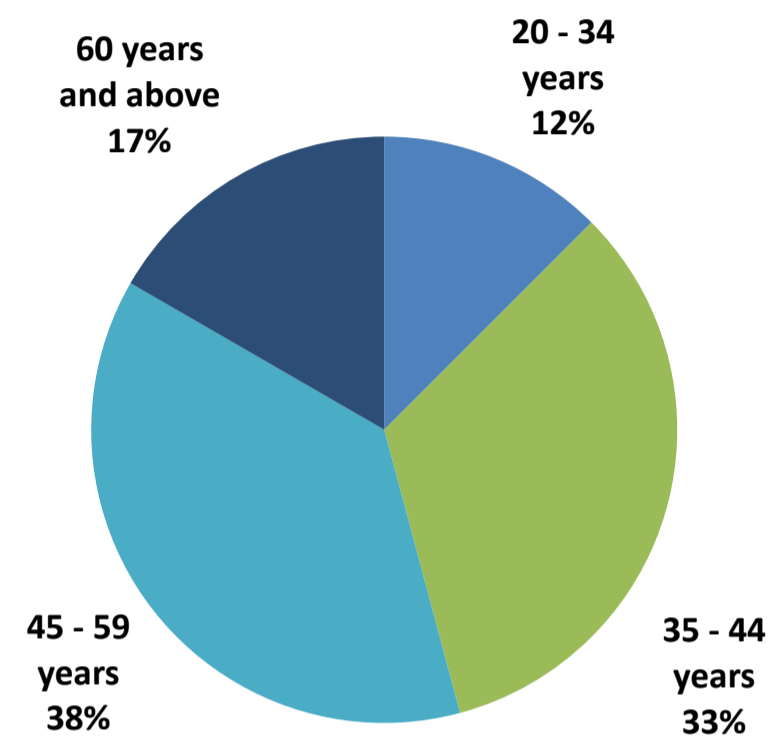
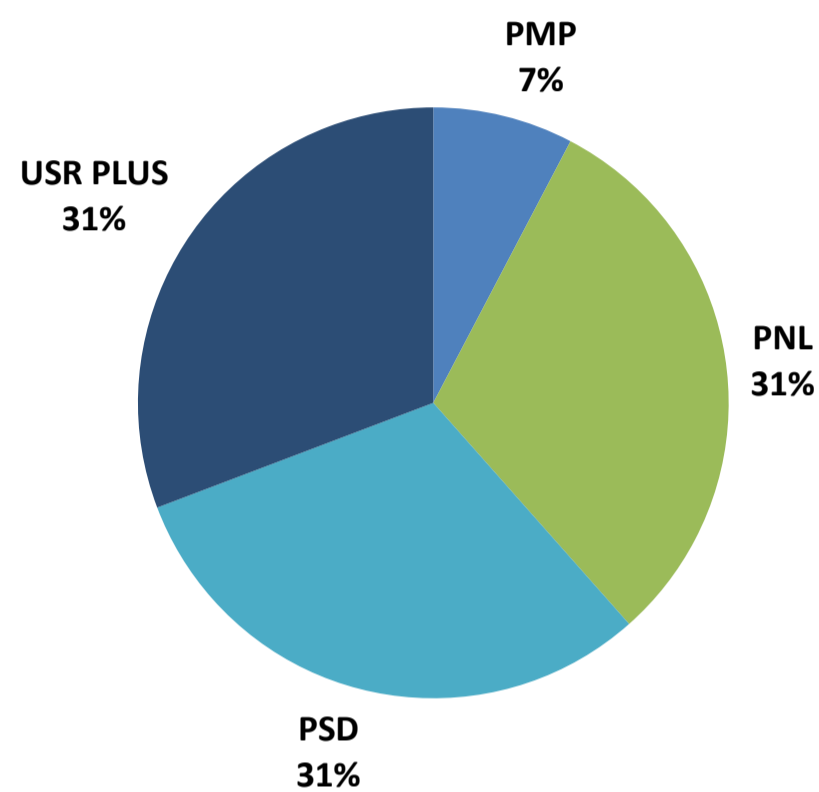
Source: <https://forexepublic.mfinante.gov.ro/web/transparenta-bugetara/rapoarte-entitati-publice>

# General overview

The Local Council of District 6 of the Bucharest Municipality at 30.09.2023

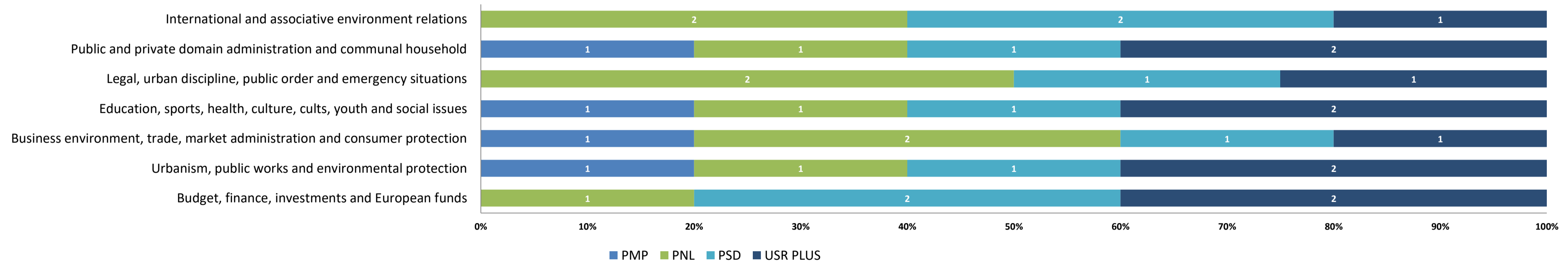


Political structure      Age distribution      Gender distribution      Structure by political party, profession and age groups



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
USR PLUS	1	Geographer	20-34 years
USR PLUS	1	Lawyer	35-44 years
USR PLUS	1	Lawyer	45-59 years
USR PLUS	1	Journalist	35-44 years
USR PLUS	1	Public administration	35-44 years
USR PLUS	1	Economist	45-59 years
USR PLUS	1	Engineer	60 years and above
PNL	1	Economist	20-34 years
PNL	1	Economist	35-44 years
PNL	1	Economist	60 years and above
PNL	1	Engineer	45-59 years
PNL	1	Engineer	35-44 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 position of Mayor of District 6 of the Bucharest Municipality is occupied by Mr. Ciprian Ciucu, as a result of the local elections in September 2020. He is a representative of the National Liberal Party, being a specialist in political sciences.
- The position of Deputy Mayor is held by Mr. Gadiuta Alexandru Vasile, representative of the USR PLUS Party, by profession geographer and by Mrs. Stefan Mihaela-Ana-Maria, representative of the USR PLUS Party, specialized in Public Administration.
- Mr. Spiridon Demirel is the Secretary of Sector 6 of Bucharest, a lawyer by profession.



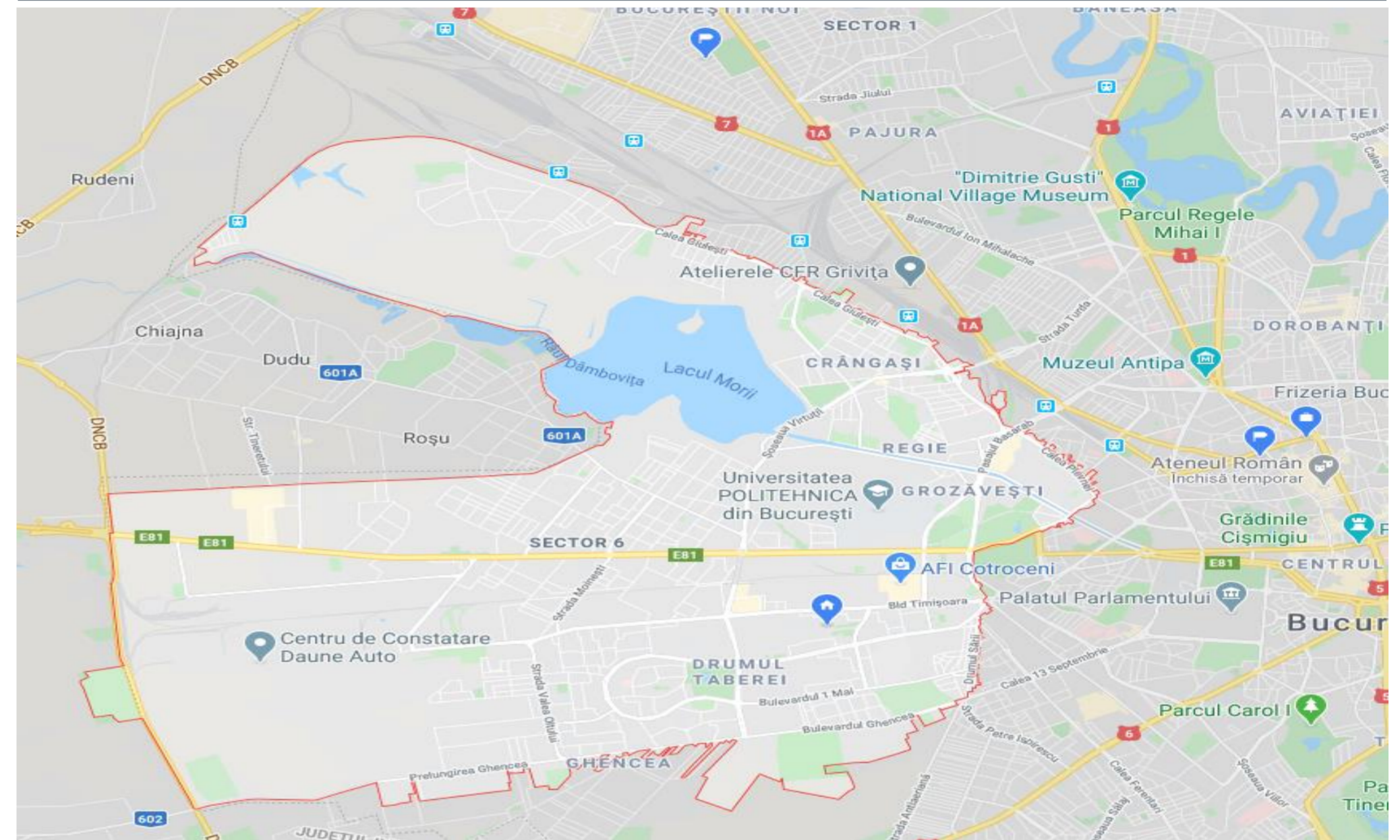
# General overview



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

- **District 6 of the Bucharest Municipality (Specialized body within the Mayor's office)**
- **Market Administration District 6** (It was dissolved through Decision of the Local Council 135/29.07.2021, replaced by the Commercial Administration of Sector 6, which took over all its functions starting from September 2021)
- **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 HCL no. 44/28.02.2023)**

## Geographic positioning in Bucharest Municipality



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

## Cultural and social environment

### Transport

Surface public transportation in Sector 6 is provided through the Bucharest Transport Company and by Metrorex for urban metro transport. By Decision of the Local Council no. 1 dated 27.01.2023, the Methodology for granting free travel was approved for all severely and profoundly disabled persons domiciled in Sector 6, personal assistants employed by the D.G.A.S.P.C, companions of severely disabled persons (only in their presence), and retirees with a minimum age of 63 for women and 65 for men.

By Decision of the Local Council no. 40 dated 28.02.2023, the updated general estimate was approved for the investment objective "Rehabilitation of the Road System on Drumul Osiei," with a total project value of 20,054 thousand Lei excluding VAT, to be completed within a period of 12 months. The project includes the rehabilitation of 8,405 square meters of roadway, 2,625 square meters of sidewalks, and the arrangement of bicycle lanes.

### Housing and Public Development

Utilities in Sector 6 are provided as follows: water supply is managed by the company 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 landmarks and attractions in Sector 6 include the National Cotroceni Museum (dating back to 1861), Chiajna Monastery (established in 1774), the Polytechnic Institute, the Pasteur Institute, the Botanical Institute, and the Emil Carafolli National Institute for Aerospace Research, as well as the Masca Theater and the Comic Opera for Children.

The sector also enjoys numerous green spaces, with the main parks being Crangasi Park, Giulesti Park, and Drumul Taberei Park (the largest park in the sector, renovated and reopened in June 2015), the Botanical Garden (covering an area of approximately 17.5 hectares), and Liniei Park (opened in June 2023). By Decision of the Local Council no. 142 dated 29.06.2023, the Feasibility Study for the investment objective "Arrangement of the promenade and recreation area - Liniei Street, section Lujerului Street - Valea Cascadelor Street" was approved.

Through the Integrated Urban Development Program of Sector 6 in the Municipality of Bucharest 2021-2030 (approved by Decision of the Local Council no. 101 dated 30.06.2021), the objective of Social Development for Performance and Inclusivity aims to improve the cultural offer and artistic creation opportunities through:

Cultural Center Favorit - Leisure time for residents in the area by providing a dedicated space.

Dedicated center for cultural and artistic activities.

Events organized to promote local artists (2021-2024, estimated investment of approximately 13.3 million Euros, currently in implementation, funded from the local budget and other financing sources). Source: Integrated Urban Development Program of Sector 6 in the Municipality of Bucharest 2021-2030.





### **Environment Protection**

By Decision of the Local Council no. 35 dated 28.02.2023, the project "Preparation of the Project for the Expansion of the Separate Collection and Sorting System of Municipal Waste at the Level of Sector 6 of the Municipality of Bucharest" was approved, with a value of 1,054,501.87 lei (including VAT), as follows: Eligible expenses (953,257.29 lei with VAT), including non-reimbursable funding of 934,192.14 lei and ineligible expenses of 101,244.58 lei (including VAT). Furthermore, the assurance and support from the local budget of Sector 6 for the own contribution related to eligible expenses within the project, at a percentage of 2% of the eligible expenses, is approved, namely 19,065.15 lei (including VAT).

By Decision of the Local Council no. 104 dated 08.06.2023, the project "Construction of 265 Digitized Ecological Islands in Sector 6" was approved, with a value of 19,163,912.25 lei including VAT.

By Decision of the Local Council no. 101 dated 30.06.2021, the Integrated Urban Development Program of Sector 6 in the Municipality of Bucharest 2021-2030 is endorsed.

By Decision of the Local Council no. 164 dated 30.06.2022, the project "Expansion of the Separate Waste Collection System at the Level of Sector 6 of the Municipality of Bucharest" is approved, financed through the Operational Program Large Infrastructure 2014-2020, in the amount of 103,267,446.05 lei (including VAT).

### **Health**

By Decision of the Local Council no. 149 dated 06.07.2023, the contracting of external reimbursable financing from the Council of Europe Development Bank was approved, up to the amount of 73 million Euros (780,249,927.86 lei, including VAT), for a credit period of up to 30 years, including a grace period of up to 4 years. This is intended to ensure funding for the expenses related to the European investment objective "Construction of a building with the function of a hospital, complex functions, and execution of works organization," located at 101E Timisoara Boulevard.

### **Social assistance**

By Decision of the Local Council no. 151 dated 06.07.2023, the funding from the local budget of Sector 6 of Bucharest is approved, with a maximum amount of 75,000 lei, for the organization of the Summer School for preschoolers and hearing-impaired students enrolled at the Special Vocational School for the Hearing Impaired "Sfanta Maria" and within the available places for those enrolled at the Special Primary School "Constantin Paunescu."

By Decision of the Local Council no. 26 dated 28.02.2023, the subsidy is approved, within the limit of 498,960 lei from the local budget, for the implementation of the project "Day Center for Children and Parents" carried out by the General Directorate for Social Assistance and Child Protection Sector 6 in partnership with the "Metropolis" Foundation. The purpose of the Day Center for Children and Parents is to prevent the separation of the child from the family and institutionalization by providing care, education, recreation, and counseling activities.

By Decision of the Local Council no. 29 dated 28.02.2023, the subsidy is approved, within the limit of 615,200 lei from the local budget, for the implementation of the project "Joyful Meal on Wheels" carried out by the General Directorate for Social Assistance and Child Protection Sector 6 in partnership with the Diaconia Association. The project aims to improve the quality of life for beneficiaries and promote social inclusion to prevent and limit situations of difficulty that can lead to the marginalization or social exclusion of individuals.

By Decision of the Local Council no. 30 dated 28.02.2023, the subsidy is approved, within the limit of 159,500 lei from the local budget, for the implementation of the project "Ghencea Community Center - Day Center" carried out by the General Directorate for Social Assistance and Child Protection Sector 6 in partnership with the "Saint Archdeacon Stefan" Association. The project aims to provide food, hygiene and sanitary products, medical services, and consumables.

By Decision of the Local Council no. 32 dated 28.02.2023, the subsidy is approved, within the limit of 386,170 lei from the local budget, for the implementation of the project "Generations Community Center" carried out by the General Directorate for Social Assistance and Child Protection Sector 6 in partnership with the Royal Margareta of Romania Foundation.

### **Education**

By Decision of the Local Council no. 2 dated 27.01.2023, the pre-university education institutions for the school year 2023-2024 were organized, both state and private, as follows: 27 state kindergartens and 30 private kindergartens, 25 state primary and lower secondary schools, and 5 private schools (primary and lower secondary cycles), 14 state high schools and 7 private high school education units (including 2 post-high school institutions), 2 institutions within special education, 1 independent school sports club, and 1 children's club.

The funding for pre-university education is carried out based on the National Education Law no. 1 of 2011 with subsequent amendments. At the level of higher education, among the universities located in Sector 6, we mention: Politehnica University of Bucharest, the National Academy of Physical Education and Sport, the Pentecostal Theological Institute, and the Ecological University.

By Decision of the Local Council no. 120 dated 08.06.2023, the implementation and funding of the "Summer Kindergarten 2023" educational program was approved, with a budget of 3,861,000 lei from the local budget. The program's objective is to provide educational and supervisory services for preschoolers enrolled in pre-university education institutions in Sector 6 of Bucharest, during the period July 1 - August 31, 2023. Thus, this program responds to parents' requests to have safe, enjoyable, and useful alternatives for their children during the summer vacation.

Children and adolescents in Sector 6 benefit from various community prevention and empowerment programs such as neighborhood camps, parents' school, "You Choose!" (a program to combat violence in schools and high schools), "To the Theaters with You!", Young Athletes League, SocialXChange, and the Recreation and Personal Development Center "Conacul Golescu Grant" - a project that offers an alternative for spending leisure time, integrating children socially and involving them in artistic, cultural, sports, technical-scientific activities (theater, modern dance, music, visual arts (painting, graphic arts, modeling), chess, karate, computer science, etc.).

*Source: Integrated Urban Development Program of Sector 6 in 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 (2006-2023): Bucharest

	Quotas and amounts deducted from the income tax: VARIATION (2006-2023): Bucharest								Law 273/2006		
	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	02-12-12	01-01-11	18-07-06
	2023	2022	2021	2021	2020	2020	2019	2018			
<b>BUCHAREST</b>											
Municipality of Bucharest	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%	51.0%	30.0%	20.0%	22.5%	23.5%
In an separate account to the Municipality of Bucharest Treasury, for balancing the budgets			7%				0.0%	5.0%	7.0%	10.0%	11.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>90.0%</b>	<b>71.5%</b>	<b>77.0%</b>	<b>82.0%</b>
<b>Remarks</b>	2 steps: 1. Allocation lei 2,000/capita/year	2 steps: 1. Allocation lei 1,500/capita/year	2 steps: 1. Allocation lei 1,400/capita/year	2 steps: 1. Allocation lei 1,150/capita/year	2 steps: 1. Allocation lei 1,000/capita/year	2 steps: 1. Allocation lei 1,000/capita/year	2 steps: 1. Ensure of a minimum operating budget of lei 1,250 in order to supplement the own revenues	2 steps: 1. 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 no. of posts;
- on certain fiscal-budgetary measures, amending and additioning certain normative acts and extending some deadlines:

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

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

## Table of contents Section I



### Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q3 2023 vs. Q3 2022
- Revenue and expenditure structure



# Revenue and expenditure balance at Q3 2023, as compared to Q3 2022

'000 RON



	Q3 2022	Q3 2023	%
<b>TOTAL REVENUES</b>	<b>1,102,073.4</b>	<b>1,531,084.3</b>	<b>▲ 38.9%</b>
<b>TOTAL EXPENDITURES</b>	<b>699,183.5</b>	<b>1,018,905.9</b>	<b>▲ 45.7%</b>
<b>Operational Revenues</b>	<b>1,031,627.5</b>	<b>1,270,051.3</b>	<b>▲ 23.1%</b>
<b>Fiscal revenues</b>	<b>1,012,701.4</b>	<b>1,249,240.4</b>	<b>▲ 23.4%</b>
Own fiscal revenues	877,348.7	1,079,974.4	▲ 23.1%
Sums deducted from the VAT	135,352.7	169,266.0	▲ 25.1%
<b>Non-fiscal revenues, out of which:</b>	<b>18,310.0</b>	<b>19,589.6</b>	<b>▲ 7.0%</b>
Non-fiscal own revenues	18,000.0	19,347.1	▲ 7.5%
Donations and sponsorships	310.0	242.6	▼ -21.8%
<b>Current subsidies</b>	<b>616.1</b>	<b>1,221.2</b>	<b>▲ 98.2%</b>
<b>Other Operational Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational Expenditures (OPEX), out of which:</b>	<b>522,844.9</b>	<b>645,604.4</b>	<b>▲ 23.5%</b>
Staff Costs (PEREX)	157,346.3	190,437.6	▲ 21.0%
Goods and services*	215,945.2	276,113.8	▲ 27.9%
Current transfers	38,902.1	53,509.8	▲ 37.5%
Internal transfers	20,019.9	21,730.5	▲ 8.5%
Social assistance	61,562.5	82,534.4	▲ 34.1%
Subsidies	2,943.1	2,264.2	▼ -23.1%
Other expenditures	26,125.9	19,014.0	▼ -27.2%
<b>Operational result</b>	<b>508,782.6</b>	<b>624,446.9</b>	
Operational Surplus (% from OPEX)	97.3%	96.7%	
Operational Deficit (% from Op. Revenues)	-	-	
<b>Investment revenues</b>	<b>23,941.9</b>	<b>61,956.6</b>	<b>▲ 158.8%</b>
Capital revenues	2.6	5.1	▲ 96.0%
Capital subsidies	9,359.8	40,840.7	▲ 336.3%
Sums received from EU for the made payments	14,579.5	21,110.8	▲ 44.8%
<b>Investment expenditures (CAPEX), out of which:</b>	<b>97,181.9</b>	<b>276,178.6</b>	<b>▲ 184.2%</b>
Capital transfers	2,973.0	27,630.0	▲ 829.4%
Projects financed from EU	10,906.1	40,106.2	▲ 267.7%
PNRR	-	16,202.6	
Capital expenditures	83,640.2	192,588.3	▲ 130.3%
<b>The result from the investment activity</b>	<b>- 73,240.0</b>	<b>- 214,221.9</b>	
<b>Financial revenues</b>	<b>46,504.0</b>	<b>199,076.4</b>	<b>▲ 328.1%</b>
Financial operations	46,504.0	199,076.4	▲ 328.1%
<b>Financial expenditures</b>	<b>79,156.7</b>	<b>97,123.0</b>	<b>▲ 22.7%</b>
Loan related commissions	1.0	1.0	-
Interest	35,741.5	47,886.2	▲ 34.0%
Loan reimbursement	43,414.2	49,235.7	▲ 13.4%
<b>Financial result</b>	<b>- 32,652.7</b>	<b>101,953.4</b>	
<b>Period's result</b>	<b>402,889.9</b>	<b>512,178.4</b>	<b>▲ 27.1%</b>
Surplus (% out of Total expenditures)	57.6%	50.3%	
Deficit (% out of Total revenues)	-	-	
<b>Result of the period (without previous year's surplus)</b>	<b>356,385.9</b>	<b>313,102.0</b>	<b>▼ -12.1%</b>
Own revenues % of Operational revenues	86.8%	86.6%	
OPEX/Own revenues (%)	58.4%	58.7%	
(Operational expenditures - Staff costs, excluding Education and Social assistance) % of (Own revenues - Quotas deducted from the income tax)	47.5%	58.7%	

- At the end of the first nine months of this year, the **Operational result** recorded a surplus of RON 624,446.9 th, representing 96.7% of Operational expenditures, by RON 115,664.3 th more than the surplus recorded in the similar period of 2022. The evolution is determined by an increase in Operational revenues (+RON 238,423.8 th, +23.1%), corroborated by an increase in Operational expenditures (+RON 122,759.5 th, +23.5%).
- The **Result from the investment activity** registers a deficit of RON 214,221.9 th, being generated based on an increasing level of Investment expenditures (+RON 178,996.7 th, +184.2%), while Investment revenues increases by RON 38,014.8 th (+158.8%). 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 73,240 th).
- The **Financial result** marks a surplus of RON 101,953.4 th, above that recorded in Q3 2022, fully determined by uses from the surplus of the previous year, while Financial expenditures increased by 22.7%.
- The **Result of the period** is positive in both periods. Therefore, taking into account the operating and financial surplus, the result of the period, after covering the deficit in investment activity, recorded a surplus of RON 512,178.4 th (+27.1% above the surplus recorded in Q3 2022).

\*) 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 Q3 2023, as compared to Q3 2022 (Variations)

Operational expenditures, out of which:

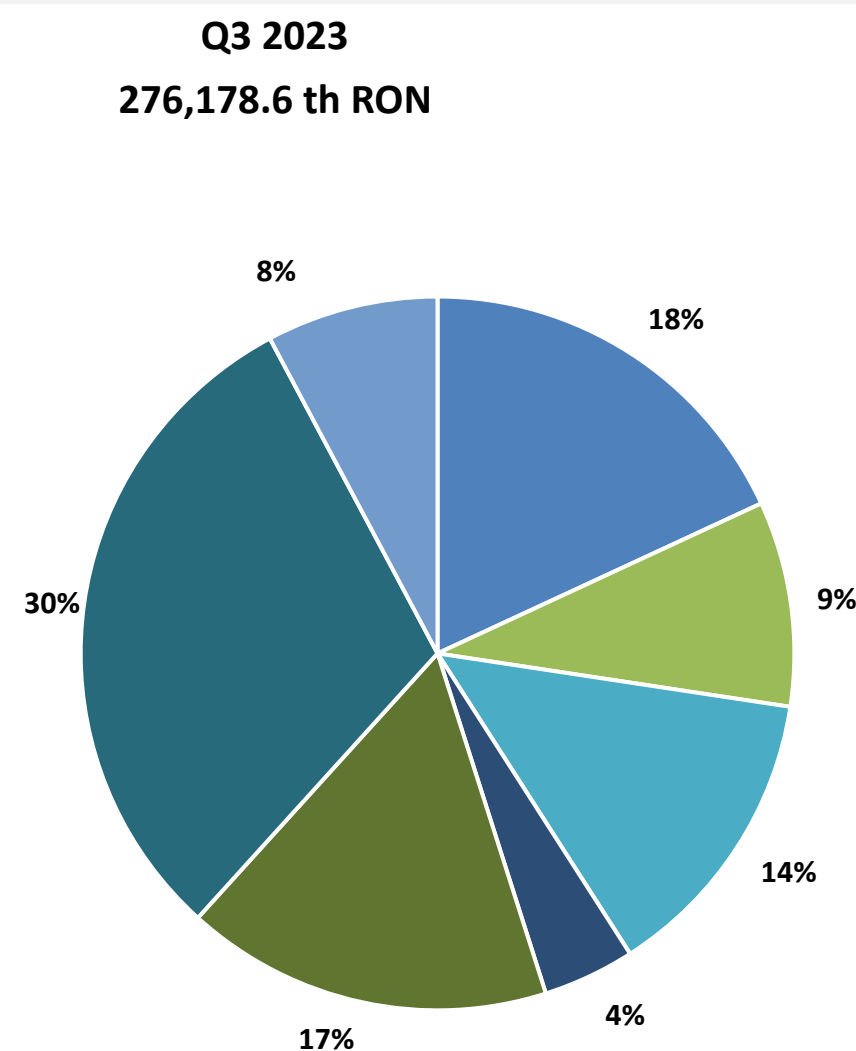
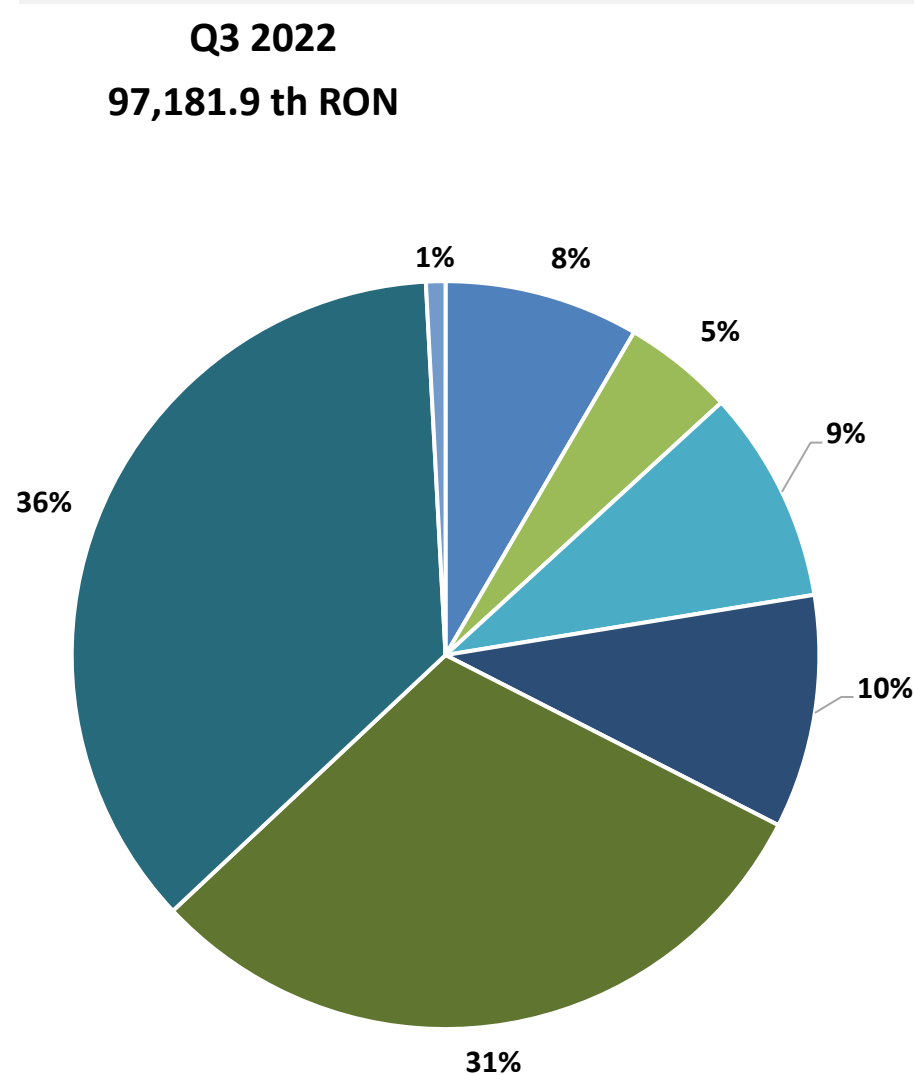
Budgetary chapter	TOTAL EXPENDITURES	Total Operational Expenditures				Financial expenditures	Investment expenditures	Investment expenditures (Budget 2023)
		Staff costs	Goods and services*	Social assistance				
Public Authorities and external actions	52,209.1	10,414.4	8,059.9	3,178.3	0.0	41,794.7	148,910.3	
Other general public services	3,179.4	3,050.4	0.0	0.0	0.0	129.0	334.0	
Transactions regarding the public debt and loans	12,144.7	0.0	0.0	0.0	0.0	12,144.7	0.0	
General transfers between different levels of administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Defense	57.8	-35.8	0.0	-35.8	0.0	93.6	110.0	
Public order and national security	3,132.8	3,280.8	0.0	-18.7	0.0	-148.0	3,328.0	
Education	47,366.7	26,340.6	11,986.3	16,967.9	3,265.1	21,026.1	263,778.8	
Health	1,181.9	0.0	0.0	0.0	0.0	1,181.9	4,993.5	
Culture, recreation and religion	39,903.1	11,456.5	2,792.8	8,461.1	0.0	28,410.6	123,583.0	
Insurance and social assistance	39,578.5	37,878.9	8,606.6	10,454.6	17,706.9	1,699.5	26,375.0	
Housing, public services and development	25,974.7	3,895.7	1,347.2	738.5	0.0	16,293.5	288,073.0	
Environment protection	53,449.5	34,766.0	0.0	29,005.9	0.0	18,683.6	244,232.2	
General economic, commercial and working actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Fuel and power	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Agriculture, Forestry, Fish breeding and Hunting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Transport	40,794.0	-8,288.0	298.6	-8,583.2	0.0	49,082.1	226,379.0	
Other economic actions	750.2	0.0	0.0	0.0	0.0	750.2	1,750.2	
<b>TOTAL</b>	<b>319,722.5</b>	<b>122,759.5</b>	<b>33,091.3</b>	<b>60,168.7</b>	<b>20,972.0</b>	<b>17,966.3</b>	<b>1,331,846.9</b>	

\*) 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

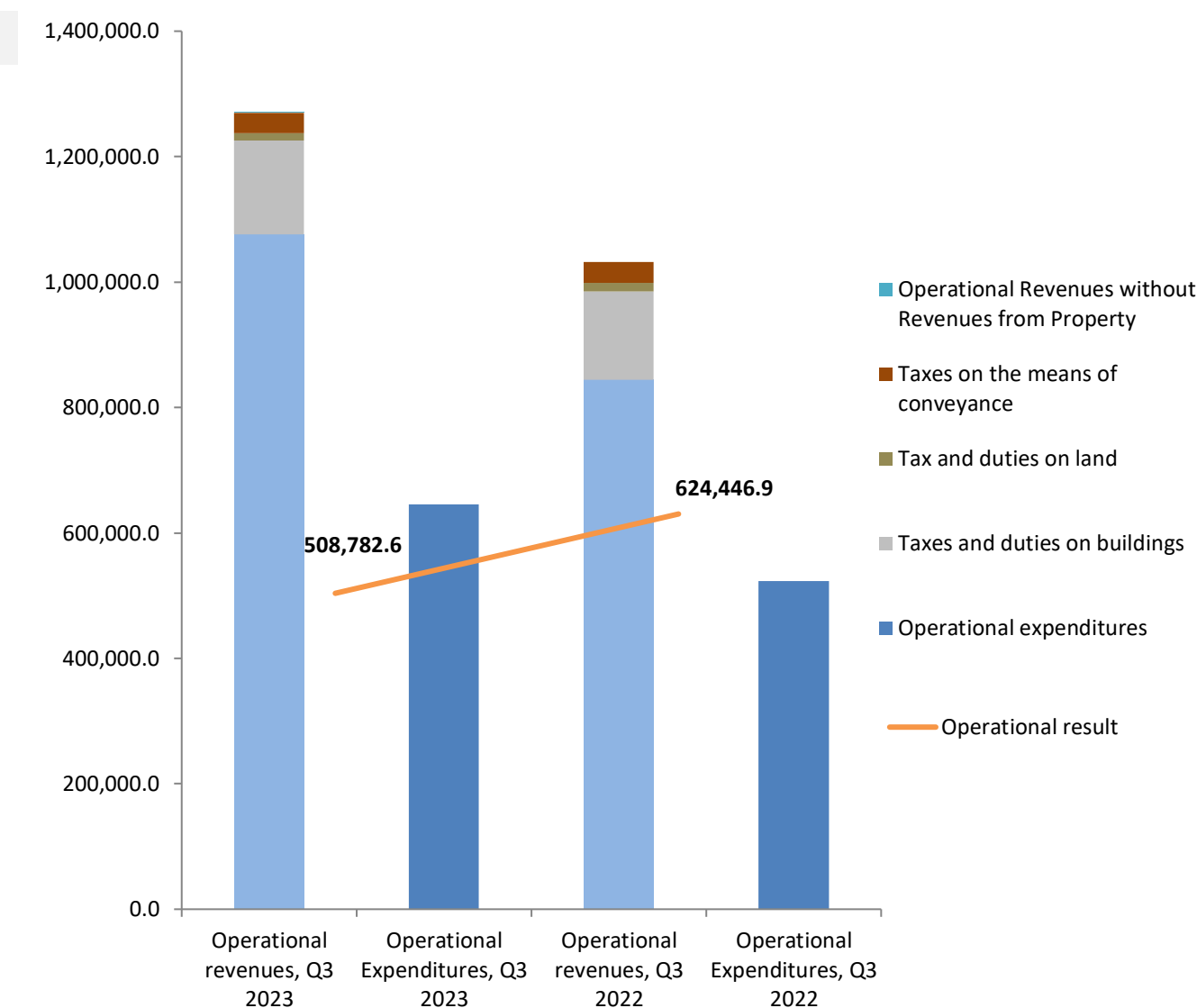
Distribution of the Investment expenditures in 2023 (according to the budget), as compared to the distribution of the execution in 2022

Structure of the Operational Result (Q3 2023 vs. Q3 2022)

## Investment expenditures



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

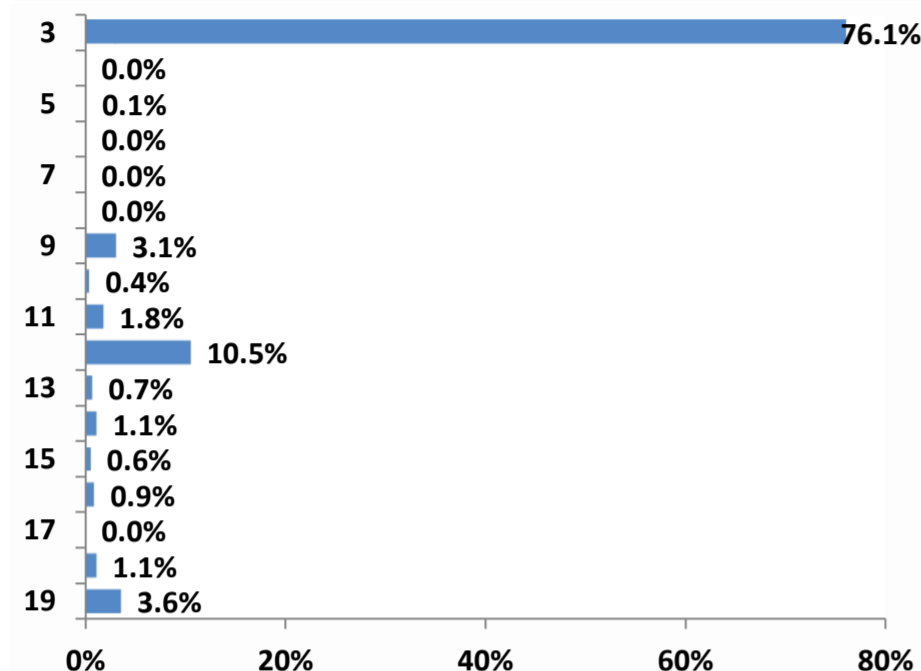




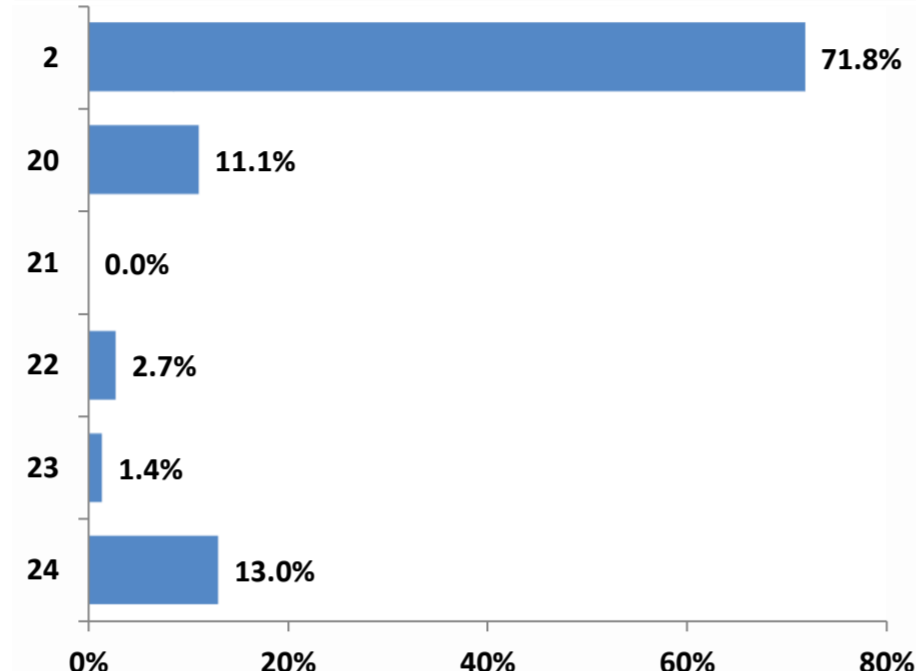
# Revenue and expenditure structure at 30.09.2023

'000 RON

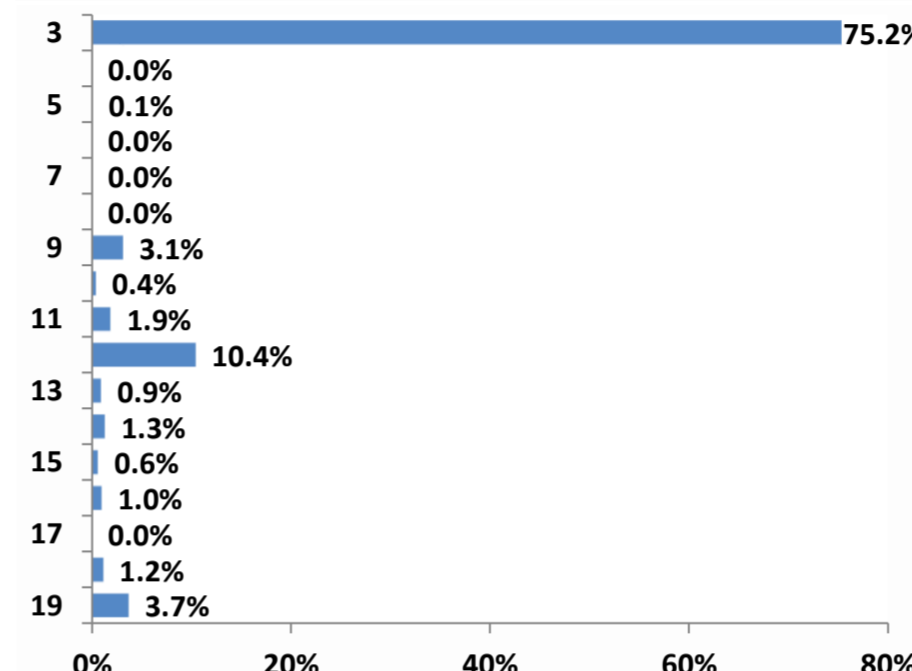
**The structure of performed own revenues**  
1,099,326.6



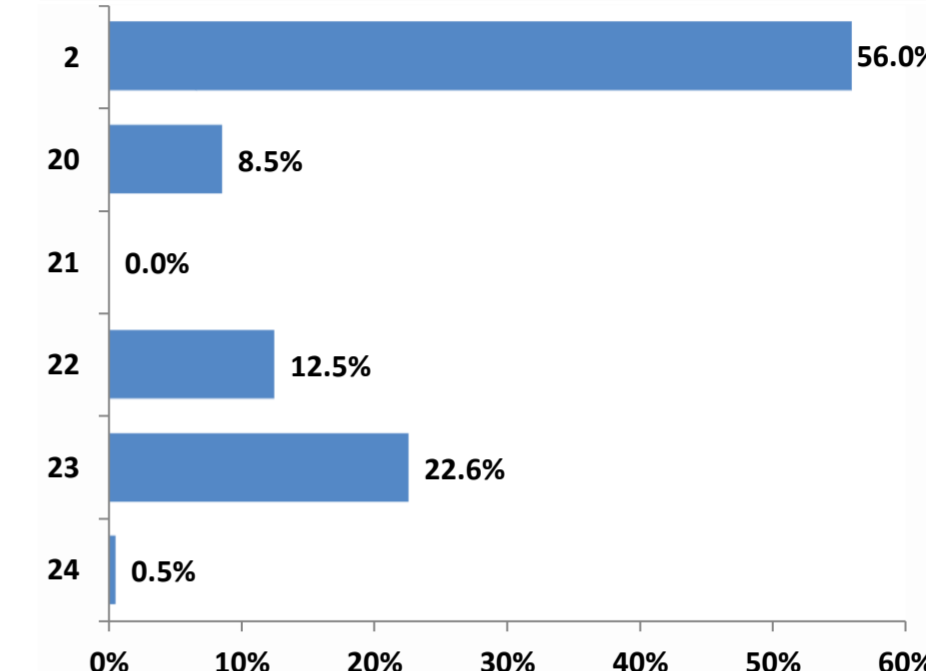
**The structure of performed total revenues**  
1,531,084.3



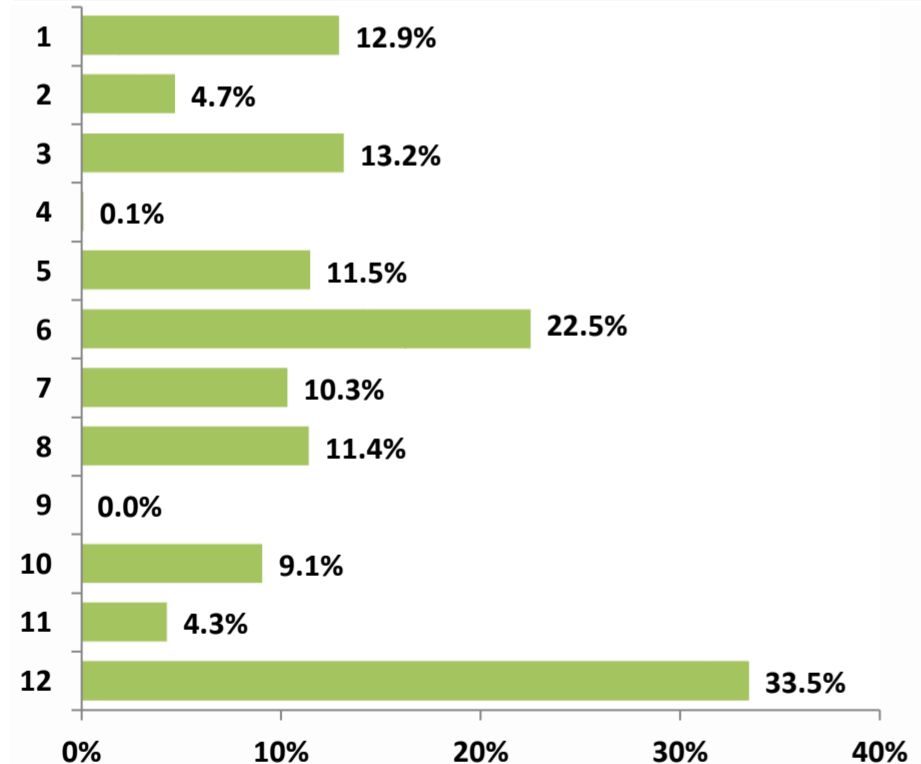
**The structure of rectified own revenues**  
1,111,345.4



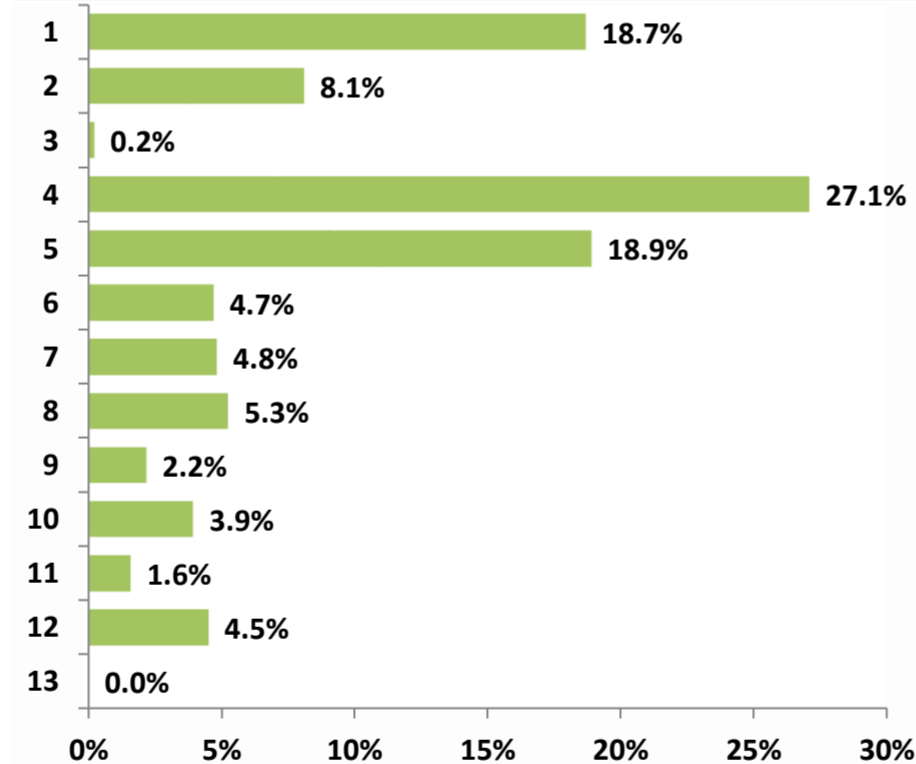
**The structure of rectified total revenues**  
1,986,109.7



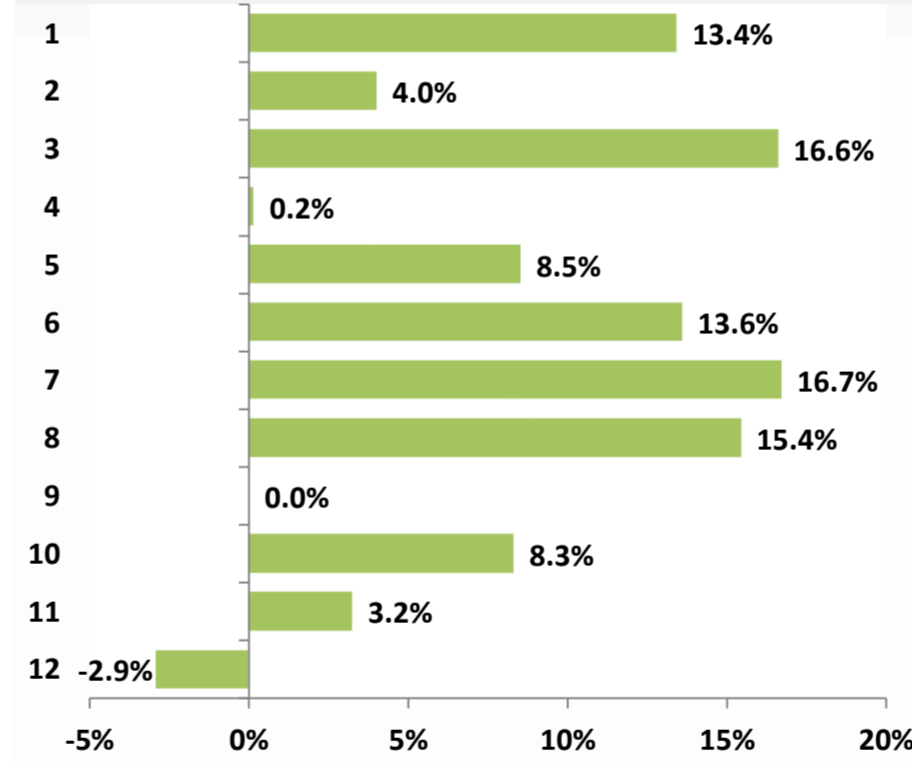
**The structure of performed functional expenditure**  
1,531,084.3



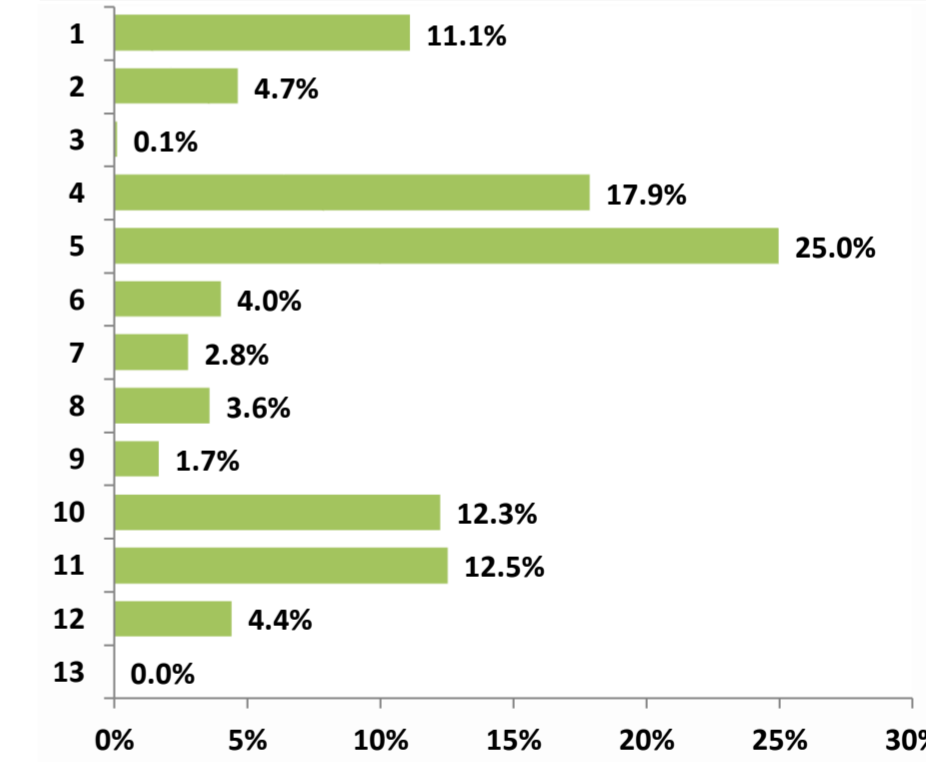
**The structure performed economic expenditure**  
1,531,084.3



**The structure of rectified functional expenditure**  
1,986,109.7

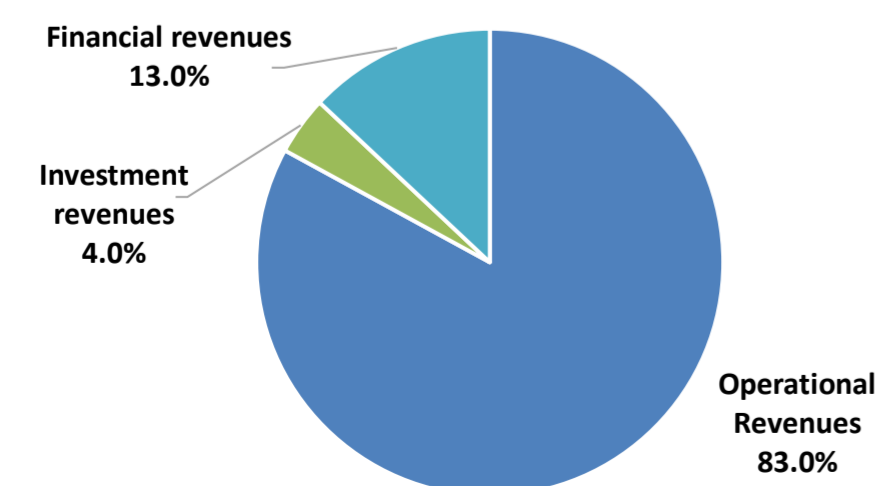


**The structure of rectified economic expenditure**  
1,986,109.7

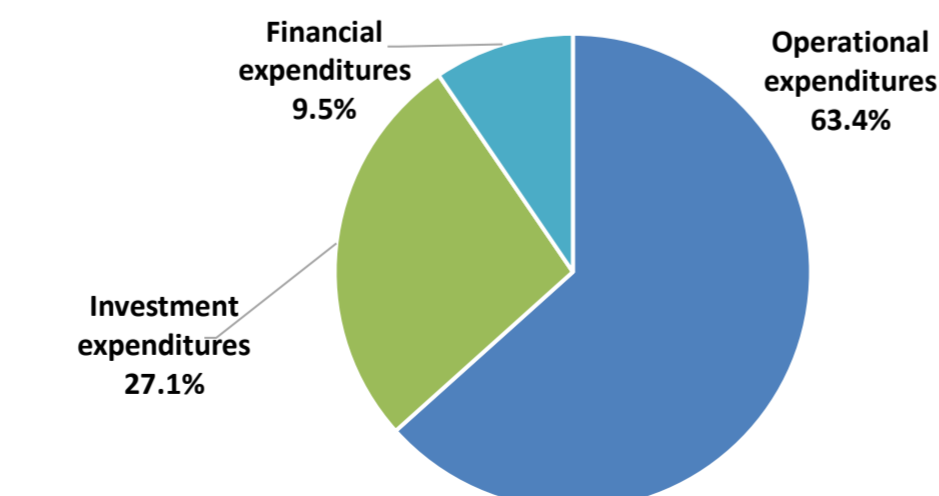


Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

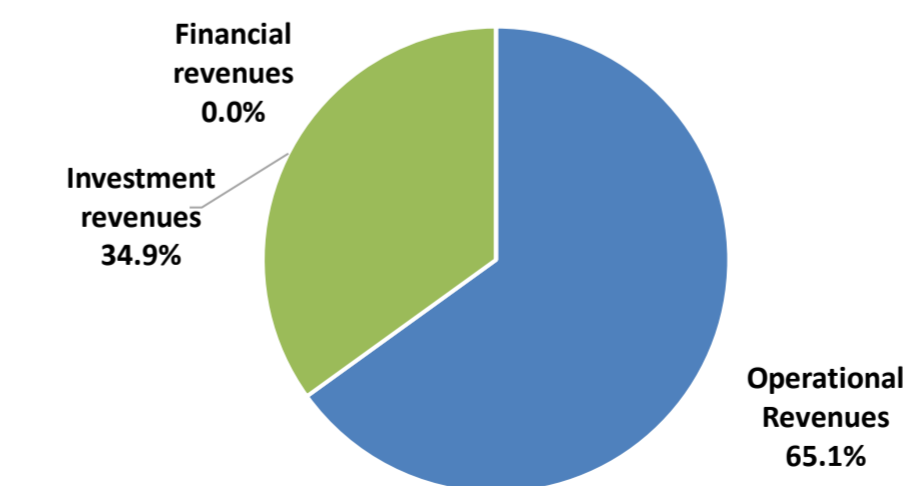
**Collected revenues at Q3 2023**



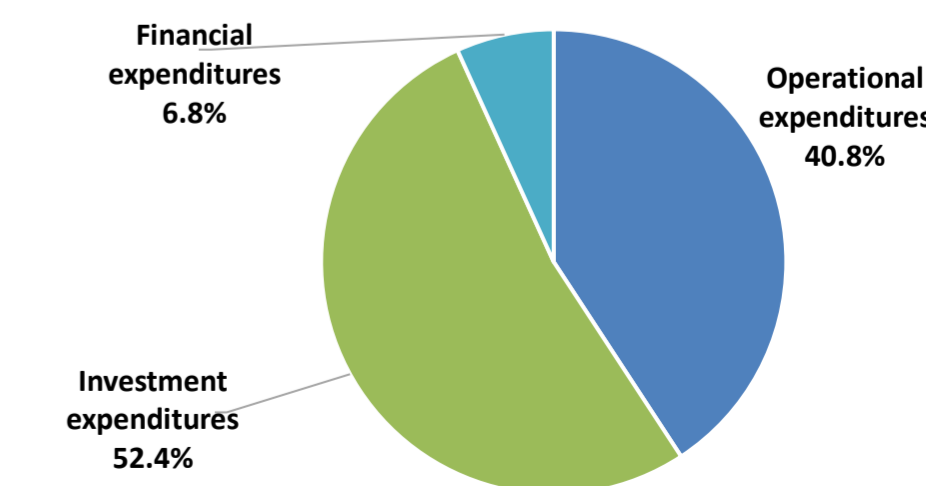
**Performed expenditures at Q3 2023**



**Planned revenues at Q3 2023**



**Planned expenditures at Q3 2023**





## Table of contents Section II



### Section II: Budgetary revenues

- The situation of the revenues collected at 30.09.2023
- The variation of the performed revenues at Q3 2023 compared to Q3 2022
- Budgetary provisions: the achievement degree of the revenues at Q3 2023
- Revenues ratios

# The situation of the revenues collected at 30.09.2023

'000 RON



Line	Summary of the main revenues	2023				2022											
		Initial 2023	% /TR	Initial at Q3	% /TR	Rectified at Q3	% /TR	Execution at Q3	% /TR	Initial 2022	% /TR	Initial at Q3	% /TR	Rectified at Q3	% /TR	Execution at Q3	% /TR
1	<b>Total revenues</b>	<b>1,892,291.5</b>		<b>1,670,018.7</b>		<b>1,986,109.7</b>		<b>1,531,084.3</b>		<b>1,388,198.0</b>		<b>1,070,535.3</b>		<b>1,191,417.7</b>		<b>1,102,073.4</b>	
2	<b>Own revenues, out of which</b>	<b>1,193,282.0</b>	63.1%	<b>1,020,152.0</b>	61.1%	<b>1,111,345.4</b>	56.0%	<b>1,099,326.6</b>	71.8%	<b>1,025,381.0</b>	73.9%	<b>804,238.0</b>	75.1%	<b>917,667.0</b>	77.0%	<b>895,351.4</b>	81.2%
3	Quotas and amounts deducted from the income tax	881,282.0	46.6%	746,282.0	44.7%	836,120.4	42.1%	836,120.2	54.6%	739,660.0	53.3%	554,745.0	51.8%	671,989.0	56.4%	644,822.6	58.5%
4	Capital revenues	5.0	0.0%	3.0	0.0%	2.0	0.0%	5.1	0.0%	20.0	0.0%	15.0	0.0%	7.0	0.0%	2.6	0.0%
5	Revenues from concessions and rents	1,000.0	0.1%	750.0	0.0%	727.0	0.0%	785.6	0.1%	2,000.0	0.1%	1,600.0	0.1%	1,031.0	0.1%	956.4	0.1%
6	Payments from net profit of self-governing administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tax on revenues from the transfer of real estate from the private patrimony	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Tax on buildings from the population	37,000.0	2.0%	33,500.0	2.0%	34,905.0	1.8%	34,003.6	2.2%	36,000.0	2.6%	33,000.0	3.1%	32,933.0	2.8%	31,382.0	2.8%
10	Tax on land from the population	4,600.0	0.2%	3,900.0	0.2%	4,588.0	0.2%	4,353.0	0.3%	4,500.0	0.3%	3,650.0	0.3%	4,035.0	0.3%	3,875.7	0.4%
11	Taxes on the means of conveyance owned by population	25,000.0	1.3%	22,500.0	1.3%	21,181.0	1.1%	19,872.7	1.3%	22,500.0	1.6%	19,500.0	1.8%	20,916.0	1.8%	20,232.2	1.8%
12	Tax on buildings from legal entities	125,000.0	6.6%	114,000.0	6.8%	115,992.0	5.8%	115,878.1	7.6%	123,000.0	8.9%	113,000.0	10.6%	99,657.0	8.4%	108,612.3	9.9%
13	Tax on land from legal entities	13,000.0	0.7%	11,300.0	0.7%	10,496.0	0.5%	7,958.2	0.5%	11,500.0	0.8%	9,900.0	0.9%	10,117.0	0.8%	10,036.3	0.9%
14	Taxes on the means of conveyance owned by legal entities	20,000.0	1.1%	16,500.0	1.0%	14,814.0	0.7%	12,487.4	0.8%	15,000.0	1.1%	12,200.0	1.1%	12,764.0	1.1%	12,968.9	1.2%
15	Fees and charges for the issuance of licences and authorisations of functioning	13,000.0	0.7%	10,000.0	0.6%	7,183.0	0.4%	6,193.6	0.4%	10,000.0	0.7%	7,500.0	0.7%	7,129.0	0.6%	7,546.0	0.7%
16	Stamp duties, for notary work and other stamp duties	12,608.0	0.7%	9,900.0	0.6%	11,062.0	0.6%	9,991.5	0.7%	13,500.0	1.0%	10,500.0	1.0%	8,616.0	0.7%	8,503.9	0.8%
17	Extrajudicial stamp duties	30.0	0.0%	23.0	0.0%	42.0	0.0%	43.6	0.0%	30.0	0.0%	25.0	0.0%	19.0	0.0%	22.7	0.0%
18	Revenues from fines and other legal sanctions	19,000.0	1.0%	14,500.0	0.9%	12,937.0	0.7%	12,259.1	0.8%	15,000.0	1.1%	11,000.0	1.0%	12,251.0	1.0%	12,165.1	1.1%
19	Other own revenues	41,757.0	2.2%	36,994.0	2.2%	41,296.0	2.1%	39,375.0	2.6%	32,671.0	2.4%	27,603.0	2.6%	36,203.0	3.0%	34,224.5	3.1%
20	<b>Sums deducted from the VAT for the local budgets</b>	<b>135,698.0</b>	7.2%	<b>103,390.0</b>	6.2%	<b>169,266.0</b>	8.5%	<b>169,266.0</b>	11.1%	<b>139,674.0</b>	10.1%	<b>98,938.0</b>	9.2%	<b>135,352.7</b>	11.4%	<b>135,352.7</b>	12.3%
21	<b>Donations and sponsorships</b>	<b>209.0</b>	0.0%	<b>209.0</b>	0.0%	<b>243.0</b>	0.0%	<b>242.6</b>	0.0%	-	-	-	-	<b>310.0</b>	0.0%	<b>310.0</b>	0.0%
22	<b>Subsidies received from the State Budget</b>	<b>364,677.2</b>	19.3%	<b>364,390.2</b>	21.8%	<b>247,570.3</b>	12.5%	<b>42,061.9</b>	2.7%	<b>16,006.0</b>	1.2%	<b>12,006.0</b>	1.1%	<b>12,014.0</b>	1.0%	<b>9,975.9</b>	0.9%
22.1	capital	363,747.2	19.2%	363,747.2	21.8%	246,070.3	12.4%	40,840.7	2.7%	15,306.0	1.1%	11,481.0	1.1%	11,485.0	1.0%	9,359.8	0.8%
22.2	current	930.0	0.0%	643.0	0.0%	1,500.0	0.1%	1,221.2	0.1%	700.0	0.1%	525.0	0.0%	529.0	0.0%	616.1	0.1%
23	<b>Sums received from the EU for the made payments</b>	<b>195,877.3</b>	10.4%	<b>179,329.6</b>	10.7%	<b>447,937.0</b>	22.6%	<b>21,110.8</b>	1.4%	<b>207,137.0</b>	14.9%	<b>155,353.2</b>	14.5%	<b>126,074.0</b>	10.6%	<b>14,579.5</b>	1.3%
24	<b>Other revenues</b>	<b>2,548.0</b>	0.1%	<b>2,548.0</b>	0.2%	<b>9,748.0</b>	0.5%	<b>199,076.4</b>	13.0%	-	-	-	-	-	-	<b>46,504.0</b>	4.2%
			% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		0.0		% /TR
	<b>Operational Revenues</b>	<b>1,332,662.0</b>	70.4%	<b>1,126,939.0</b>	67.5%	<b>1,292,100.4</b>	65.1%	<b>1,270,051.3</b>	83.0%	<b>1,165,735.0</b>	84.0%	<b>903,686.0</b>	84.4%	<b>1,053,851.7</b>	88.5%	<b>1,031,627.5</b>	93.6%
	<b>Investment revenues</b>	<b>559,629.5</b>	29.6%	<b>543,079.8</b>	32.5%	<b>694,009.3</b>	34.9%	<b>61,956.6</b>	4.0%	<b>222,463.0</b>	16.0%	<b>166,849.2</b>	15.6%	<b>137,566.0</b>	11.5%	<b>23,941.9</b>	2.2%
	<b>Financial revenues</b>	-	-	-	-	-	-	<b>199,076.4</b>	13.0%	-	-	-	-	-	-	<b>46,504.0</b>	4.2%
	<b>Total Revenues of the Operating Section</b>	<b>1,124,484.0</b>	59.4%	<b>954,032.7</b>	57.1%	<b>1,097,057.9</b>	55.2%	<b>1,170,836.5</b>	76.5%	<b>1,007,943.0</b>	72.6%	<b>787,535.7</b>	73.6%	<b>1,008,851.7</b>	84.7%	<b>974,328.4</b>	88.4%
	<b>Total Revenues of the Development Section</b>	<b>767,807.5</b>	40.6%	<b>715,986.1</b>	42.9%	<b>889,051.8</b>	44.8%	<b>360,247.8</b>	23.5%	<b>380,255.0</b>	27.4%	<b>282,999.5</b>	26.4%	<b>182,566.0</b>	15.3%	<b>127,745.0</b>	11.6%
	<b>Previous surplus</b>	-	-	-	-	-	-	<b>199,076.4</b>	-	-	-	-	-	-	-	<b>46,504.0</b>	-
	<b>Total Revenues of the period (without previous surplus)</b>	<b>1,892,291.5</b>		<b>1,670,018.7</b>		<b>1,986,109.7</b>		<b>1,332,007.9</b>		<b>1,388,198.0</b>		<b>1,070,535.3</b>		<b>1,191,417.7</b>		<b>1,055,569.4</b>	

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

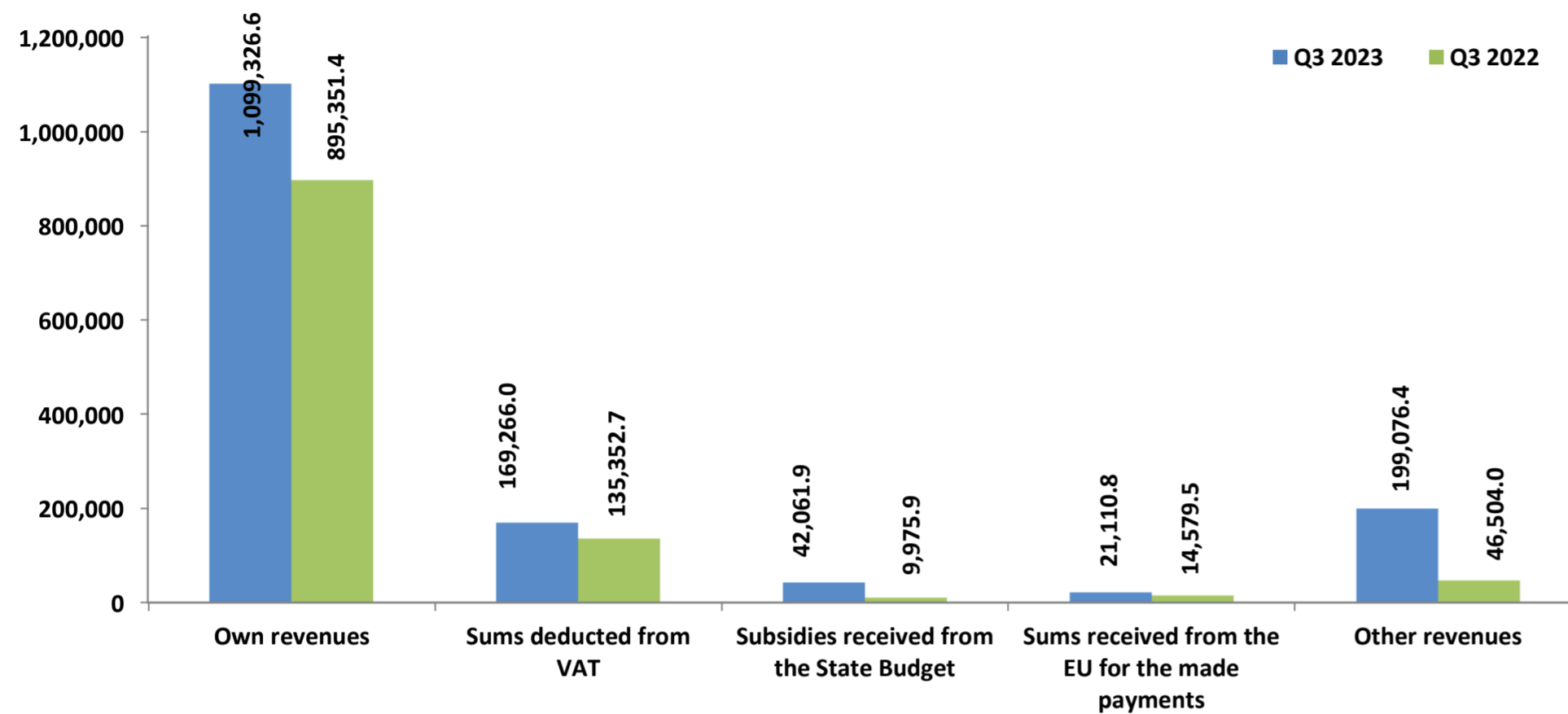
Revenues from tax on property	2023	% /TR	2023	% /TR	2023	% /TR	2022	% /TR	2022	% /TR	2022	% /TR	2022	% /TR	2022	% /TR
9 + 12 Taxes and duties on buildings	162,000.0	8.6%	147,500.0	8.8%	150,897.0	7.6%	149,881.7	9.8%	159,000.0	11.5%	146,000.0	13.6%	132,590.0	11.1%	139,994.3	12.7%
10 + 13 Tax and duties on land	17,600.0	0.9%	15,200.0	0.9%	15,084.0	0.8%	12,311.1	0.8%	16,000.0	1.2%	13,550.0	1.3%	14,152.0	1.2%	13,912.0	1.3%
11 + 14 Taxes on the means of conveyance	45,000.0	2.4%	39,000.0	2.3%	35,995.0	1.8%	32,360.1	2.1%	37,500.0	2.7%	31,700.0	3.0%	33,680.0	2.8%	33,201.1	3.0%
Tax on property from the population	66,600.0	3.5%	59,900.0	3.6%	60,674.0	3.1%	58,229.3	3.8%	63,000.0	4.5%	56,150.0	5.2%	57,884.0	4.9%	55,489.9	5.0%
Tax on property from the legal entities	158,000.0	8.3%	141,800.0	8.5%	141,302.0	7.1%	136,323.7	8.9%	149,500.0	10.8%	135,100.0	12.6%	122,538.0	10.3%	131,617.5	11.9%

# The variation of the performed revenues at Q3 2023 compared to Q3 2022

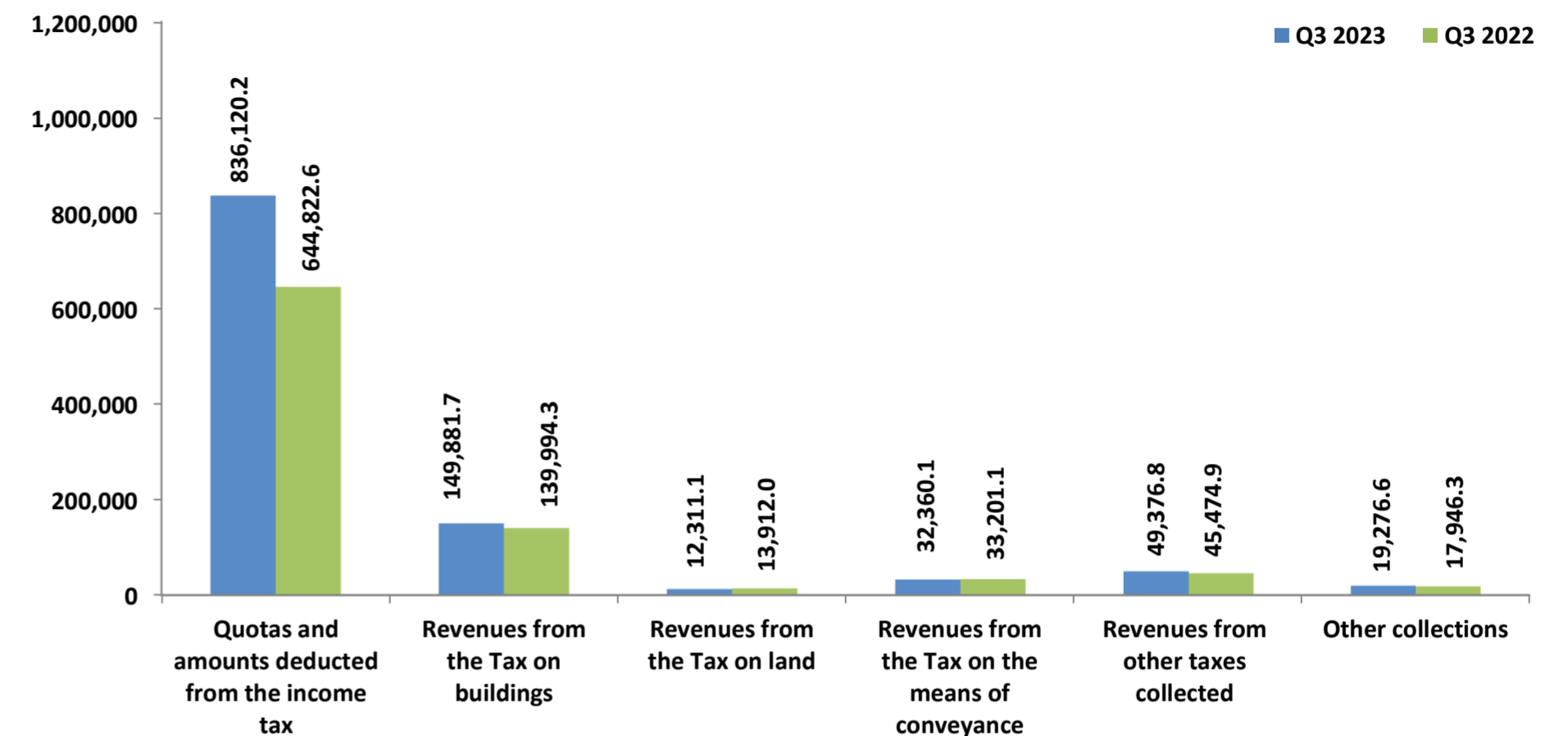
'000 RON



Total revenues variation



Own revenues variation



The **revenues collected to the local budget** increased by 26.2%, respectively by RON 276,438.5 th, up to RON 1,332,007.9 th. If we also take into account the amounts used from the previous surplus (amounting to RON 199,076.4 th in Q3 2023, respectively RON 46,504 th in Q3 2022), total revenues mark an increase of RON 429,010.9 th (+38.9%) compared to those recorded in the same period of the previous year.

- At the level of **Own revenues**, there is an increase of 22.8%, respectively by RON 203,975.2 th;
- In the **Other revenues**, receipts are recorded at the level of RON 199,076.4 th, represented entirely by the Sums from the local budget surplus used for financing the development expenditures, their value being RON 46,504 th in the third quarter of last year;
- **The Sums deducted from VAT** increased by RON 33,913.3 th (+25.1%). This increase comes from those amounts to finance decentralized expenditures at sector level (+RON 30,511 th, +27.4%), to Financing of private or confessional accredited education (+RON 1,891.3 th, +7.9%) and to balance local budgets amounting to RON 1,511 th in Q3 2023, but without values in the third quarter of the previous year;
- **The Subsidies received from the State Budget** increased by RON 32,086 th (+321.6%), the influences being observed mostly at the level of capital ones, respectively through the registration of Allocations of amounts from PNRR related to the loan component amounting to RON 38,354.4 th and Subsidies for thermal rehabilitation of residential buildings amounting to RON 2,306.9 th (null in Q3 2022). In contrast, there is a lack of amounts related to subsidies for financing social housing (worth RON 6,000 th in Q3 2022) and the decrease in 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 (-3,180.4 th RON, -94.7%);
- Also, the **Sums received from the EU** decreased by RON 6,531.4 th, entirely at the level of the 2014-2020 financial framework, mainly with influences from the European Regional Development Fund (+RON 8,227.8 th, +70.8%) and the European Social Fund (-RON 1,385.3 th, -55.7%);

**Own revenues** reach RON 1,099,326.6 th during the reporting period, and the most important influences determining the group's increase are found in the following income categories:

- **Quotas and amounts deducted from the income tax** with an increase of RON 191,297.5 th (+29.7%). It is noted the Sums allocated from the quotas deducted from income tax to balance the local budgets, which represent the totality of the revenues from this group at Q3 2023;
- **Revenues from the tax on property** with an increase of RON 7,445.6 th (+4%), mostly due to the amounts collected from legal entities (+RON 4,706.2 th, +3.6%) and from the population (+RON 2,739.4 th, +4.9%). The significant increase of these taxes is determined by the level of taxes and duties on buildings (+RON 9,887.5 th, +7.1%) and on land (-RON 1,600.9 th, -11.5%);
- **Revenues from other taxes collected**, with an increase of RON 3,901.9 th (+8.6%), mainly determined by the increase in revenues from Other taxes and duties (+RON 3,300.9 th, +12.5%) and from Stamp duties, for notary work and other stamp duties (+RON 1,487.6 th, +17.5%) and the decrease of those from Fees and charges for the issuance of licences and authorisations of functioning (-RON 1,352.3 th, -17.9%);
- **Other collections** increased by RON 1,330.3 th (+7.4%) and major influences from payments from Payments from revenues and/or availabilities for public institutions amounting to RON 1,542 th (excluding such amounts collected in Q3 2022), Contribution of parents and legal guardians for the upkeep of children in nurseries (+RON 1,038.7 th, +106.7%), Other revenues (-RON 974.7 th, -39.6%), Other revenues from interests (-RON 602.3 th, -93.6%).



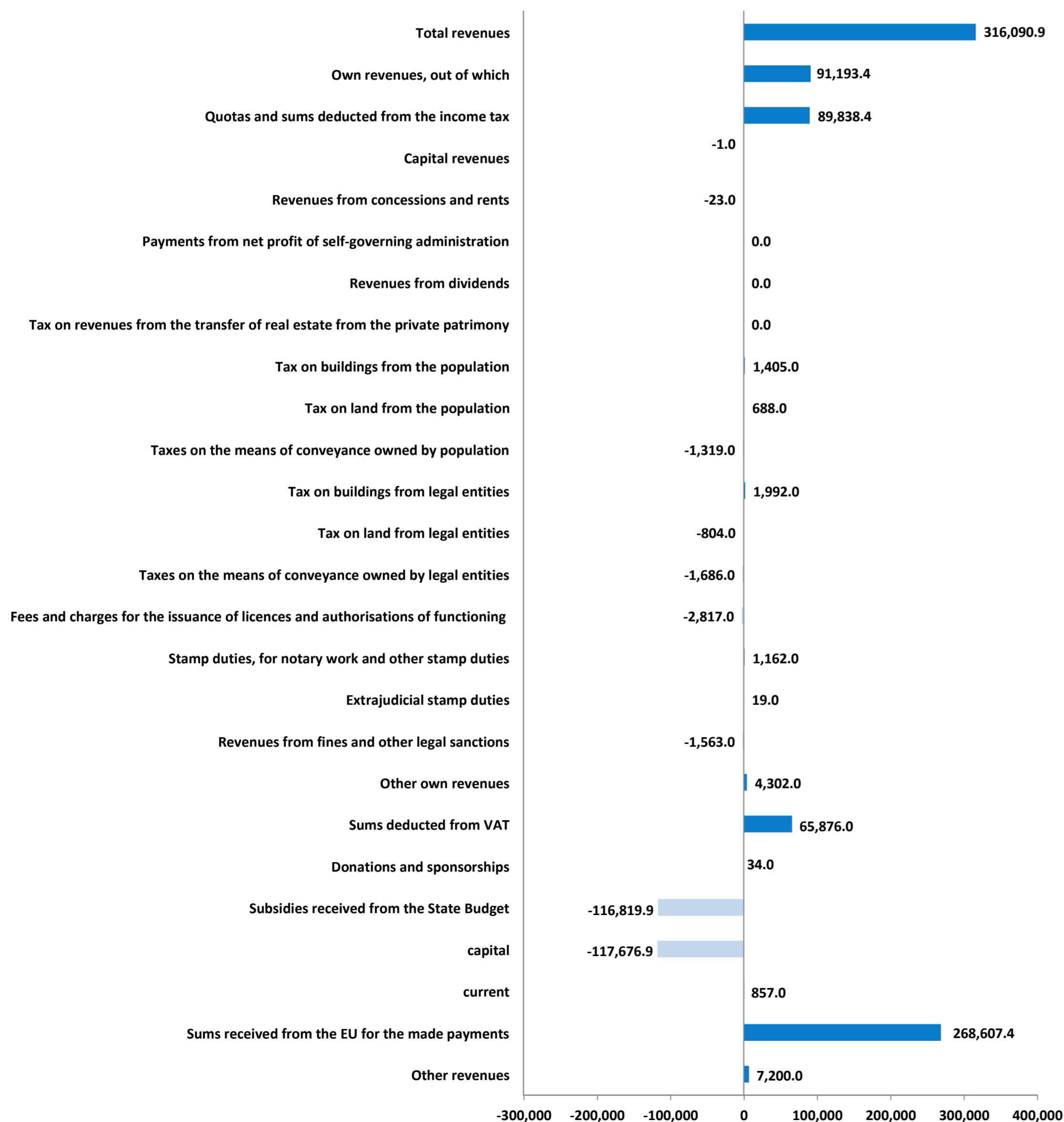
# Budgetary provisions

Achievement degree of the revenues at Q3 2023

'000 RON



## Budgetary rectification, as compared to the initial provisions



The final provisions for the first nine of 2023 (approved by LCD no. 201 / 21.09.2023) estimate an increase in revenues collected by RON 316,090.9 th (+18.9%) compared to their value included in the initial budget.

**Operational revenues** includes provisions increased by RON 165,161.4 th (+14.7%), as follows:

- The amounts related to the Quotas and sums deducted from the income tax were estimated by RON 89,838.4 th above those initially planned, fully at the level of the Sums allocated from the quotas deducted from income tax to balance the local budgets;
- Sums deducted from VAT were estimated by the amended budget at RON 169,266 th, being 63.7% above the initial provisions (+RON 65,876 th), mostly at the level of those for Sums deducted from VAT for financing the expenditures of towns (+RON 39,946 th, +39.2%), followed by the inclusion in the final budget of provisions amounting to RON 25,930 th for VAT split amounts for financing private and confessional education (without such provisions in the initial budget);
- Other subsidies received from the central administration for the financing of some activities worth RON 7,200 th were included in the final budget;
- The provisions for Revenues from other taxes collected have been increased, the dynamics being reflected mainly at the level of Other taxes and duties (+RON 2,286 th, +7.7%), Stamp duties, for notary work and other stamp duties (+RON 1,162 th, +11.7%) and Fees and charges for the issuance of licences and authorisations of functioning (-RON 2,817 th, -28.2%);
- For Other collections, amounts above the initial ones were provided, by including in the final budget of Payments from revenues and/or availabilities for public institutions amounting to RON 1,542 th (without initial provisions) and reducing the provisions for Revenues from fines and other legal sanctions (-RON 1,563 th, -10.8%).

For **Investment revenues**, the provisions amended in Q3 2023 are increased by RON 150,929.5 th (+27.8%) compared to the initial ones, especially for:

- For the Sums received from EU for the made payments, values were included by RON 268,607.4 th higher than the initial provisions, by including final provisions worth RON 131,433 th for programs financed from the Cohesion Fund and worth RON 91,699.6 th at the level of the European Regional Development Fund, while the provisions related to the European Social Fund were increased by RON 53,646.8 th (+31.7%), and those for Other Community Programs financed during 2014-2020 were decreased by RON 8,172 th (-80.7%);
- Capital subsidies (-RON 117,676.9 th, -32.4%), at the level of PNRR allocations related to the loan component (-RON 62,415 th, -27.4%) and those related to non-reimbursable financial assistance (-RON 55,461.9 th, -55.6%).

The annual revenues estimated by the last budget amendment in Q3 2023 are RON 399,846.7 th (+21.1%) above the level planned at the beginning of the year. The dynamics are reflected as follows:

For **Investment revenues** for 2023, the budget amendment provided for their increase by RON 304,626.7 th (+54.4%), as follows:

- Sums received from EU for the made payments (+RON 268,607.4 th +137.1%);
- Capital subsidies (+RON 36,019.3 th, +9.9%).

At the level of **Operational revenues**, for 2023 it is foreseen an increase by RON 95,220 th (+7.1%) to RON 1,427,882 th, as follows:

- Increase of the final provisions related to Sums deducted from the VAT by RON 85,166 th (+62.8%);
- Inclusion of RON 7,200 th for Other subsidies received from the central administration for the financing of some activities and RON 1,542 th for Payments from revenues and/or availabilities for public institutions (without initial budgetary provisions);
- Other rights for disability and adoption provided in the final budget with RON 1,208 th above the planned level, up to RON 2,108 th;
- Contribution of parents and legal guardians for the upkeep of children in nurseries (+RON 1,000 th, +66.7%);
- Tax on land from the legal entities, provisions reduced by RON 1,000 th (-7.7%).

# Budgetary provisions

Achievement degree of the revenues at Q3 2023

'000 RON



## Achievement degree compared to the final provisions

The total revenues collected in the local budget at the end of the reporting period are RON 654,101.8 th below the level of the final budgetary provisions, thus marking an achievement rate of 67.1%. If we also consider the amounts from the surplus of the local budget used to finance the expenses of the development section, amounting to RON 199,076.4 th, the level of revenues collected in Q3 2023 is RON 455,025.3 th below the final budget provisions (execution rate of 77.1%).

- **Investment revenues** is RON 632,052.6 th below the estimated level (execution rate of 8.9%), respectively a dynamics determined by:
  - Sums received from the EU for the made payments, lower by RON 426,826.2 th (achievement rate of 4.7%). This decrease is influenced by revenues by 99.5% under provisions for the European Social Fund (-RON 221,744.8 th), by the lack of revenues related to the Cohesion Fund (foreseen value of RON 131,433 th) and by lower revenues by 21.6% for the European Regional Development Fund (-RON 71,854.6 th) as well as other community programs financed during 2014 - 2020 (-RON 1,793.7 th, -91.7%);
  - Capital subsidies, lower by RON 205,229.6 th (-83.4%) compared to the amended budgetary provisions, the influences coming from the Allocations of amounts from PNRR related to the loan component (-RON 127,365.6 th, -76.9%) and those related to non-reimbursable financial assistance (amounting to RON 44,331 th in the amended budget, but without values collected in Q3 2023), followed by subsidies from the state budget to local budgets for the National Investment Program "Anghel Saligny" (estimated at RON 33,000 th, without values in Q3 2023).
- **Operational revenues** are RON 22,049.1 th below the estimated level in the budget, with an execution rate of 98.3%. The structure of budget implementation is influenced during the period analysed by the following categories of revenue:
  - The final budget included Other subsidies received from the central administration for the financing of some activities worth RON 7,200 th and Subsidies received in the base of partnership or association contracts worth RON 2,548 th (without executed amounts);
  - Revenues from tax on property, income below the final provisions by RON 7,423 th (-3.7%) at the level of Tax on property from the legal entities (-RON 4,978.3 th, -3.5%), Tax on property from the population (-RON 2,444.7 th, -4%). The significant decrease of these revenues is determined by the level of Revenues from the Tax on the means of conveyance (-RON 3,634.9 th, -10.1%), on land (-RON 2,772.9 th, -18.4%) and on buildings (-RON 1,015.3 th, -0.7%);
  - Revenues from other taxes collected lower by RON 4,033.2 th compared to the final provisions (-7.6%), considering collections for: Other taxes and duties (-RON 2,100.3 th, -6.6%), Stamp duties for notary work and other stamp duties (-RON 1,070.5 th, -9.7%) and Fees and charges for the issuance of functioning licenses and authorizations (-RON 989.4 th, -13.8%);
  - Other collections lower by RON 562.4 th (-2.8%) compared to budget provisions, mainly considering the collection below the ceiling of Revenues from fines and other legal sanctions (-RON 677.9 th, -5.2%).
- The **Financial revenues** register the value of RON 199,076.4 th, fully represented by the Sums from the local budget surplus used for financing the development expenditures.



# Revenues ratios

at Q3 2023, as compared to Q3 2022

'000 RON



Ratios	Q3 2023	Q3 2022
<b>Revenues from tax on property</b>	<b>194,553.0</b>	<b>187,107.4</b>
Revenues per Capita*	489.0	470.3
The revenue weight in the total revenues	12.7%	17.0%
<b>Tax own revenues</b>	<b>1,079,974.4</b>	<b>877,348.7</b>
Revenues per Capita*	2,714.5	2,205.2
The revenue weight in the total revenues	70.5%	79.6%
<b>Total current revenues (autonomous)</b>	<b>1,268,830.0</b>	<b>1,031,011.4</b>
Revenues per Capita*	3,189.2	2,591.5
The revenue weight in the total revenues	82.9%	93.6%
<b>Operational revenues</b>	<b>1,270,051.3</b>	<b>1,031,627.5</b>
Revenues per Capita*	3,192.3	2,593.0
The revenue weight in the total revenues	83.0%	93.6%
<b>Investment revenues</b>	<b>61,956.6</b>	<b>23,941.9</b>
Revenues per Capita*	155.7	60.2
The revenue weight in the total revenues	4.0%	2.2%
<b>Total revenues per Capita*</b>	<b>3,848.4</b>	<b>2,770.1</b>
<b>Own revenues per capita*</b>	<b>2,763.2</b>	<b>2,250.5</b>
<b>The level of financing from the own revenues</b>	<b>71.8%</b>	<b>81.2%</b>
<b>The degree of self-financing</b>	<b>71.8%</b>	<b>81.2%</b>
<b>The degree of dependency of the local budget compared to the state budget</b>	<b>68.4%</b>	<b>71.7%</b>
<b>The degree of decisional autonomy</b>	<b>71.9%</b>	<b>81.2%</b>
<b>The degree of achievement of the revenues from the initial budget</b>	<b>91.7%</b>	<b>102.9%</b>
<b>The degree of achievement of the revenues from the final budget</b>	<b>77.1%</b>	<b>92.5%</b>
<b>The degree of achievement of the own revenues from the initial budget</b>	<b>107.8%</b>	<b>111.3%</b>
<b>The degree of achievement of the own revenues from the final budget</b>	<b>98.9%</b>	<b>97.6%</b>
<b>The degree of achievement of the property taxes from the initial budget</b>	<b>96.5%</b>	<b>97.8%</b>
<b>The degree of achievement of the property taxes from the final budget</b>	<b>96.3%</b>	<b>103.7%</b>
<b>The annual estimate from the local tax revenues (maximum probability)</b>	<b>265,058.9</b>	<b>255,523.2</b>
<b>The annual estimate from the local tax revenues (final budget)</b>	<b>284,958.0</b>	<b>263,815.0</b>
<b>The degree of achievement of the annual estimate from the local tax revenues</b>	<b>107.5%</b>	<b>103.2%</b>
<b>The collection degree from the initial budget of the revenues from:</b>	<b>107.9%</b>	<b>111.3%</b>
Quotas deducted from the income tax	0.0%	0.0%
Taxes on buildings from the population	101.5%	95.1%
Taxes on land from the population	111.6%	106.2%
Taxes on the means of conveyance from the population	88.3%	103.8%
Taxes on buildings from legal entities	101.6%	96.1%
Taxes on land from legal entities	70.4%	101.4%
Capita,	<b>397,847</b>	<b>397,847</b>
as of:	01-01-22	01.01.2021

- **Revenues from tax on property** increased by RON 7,445.6 th (+4%), due to the increase in revenues related to taxes and fees on buildings (+RON 9,887.5 th, +7.1%), corroborated with land (-RON 1,600.9 th, -11.5%) and means of transport (-RON 841 th, -2.5%). In particular, revenues received from legal entities (+RON 4,706.2 th, +3.6%) and individuals (+RON 2,739.4 th, +4.9%) increased.
- **Own fiscal revenues** increased by RON 202,625.6 th (+23.1%), mainly due to:
  - Increase of Quotas and amounts deducted from the income tax by RON 191,297.5 th (+29.7%);
  - Increase of Revenues from tax on property;
  - A higher level of Revenues from other taxes collected by RON 3,901.9 th (+8.6%), mainly determined by: Other taxes and duties (+RON 3,300.9 th, +12.5%), Stamp duties for notary work and other stamp duties (+RON 1,487.6 th, +17.5%), and Fees and charges for the issuance of functioning licenses and authorizations (-RON 1,352.3 th, -17.9%).
- **Total current revenues (autonomous)** register a level of RON 237,818.6 th (+23.1%) higher, as a result of:
  - Fiscal revenues, higher by RON 236,538.9 th (+23.4%), with influences from Own fiscal revenues and Sums deducted from the VAT (+RON 33,913.3 th, +25.1%);
  - Non-fiscal revenues, higher by RON 1,279.7 th (+7%), mainly due to amounts from Sale of goods and services (+RON 2,052.8 th, +12.3%) and Revenues from property (-RON 773.2 th, -48.3%).
- **Operational revenues** collected during the analyzed period are by RON 238,423.8 th (+23.1%) higher, the evolution being mainly determined by the increase in Current revenues.
- **Investment revenues** recorded a value of RON 38,014.8 th (+158.8%) above the level recorded in the first nine months of the previous year. These revenues are determined by the increase in the value of Capital subsidies (+RON 31,480.9 th, +336.3%) and the Sums received from EU for the made payments (+RON 6,531 th, +44.8%).

\*The ratios calculated per Capita are presented in RON



## Table of contents Section III



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

- The situation of the expenditures performed at 30.09.2023
- The variation of the performed expenditures at Q3 2023 vs. Q3 2022
- Budgetary provisions: the achievement degree of the expenditures at Q3 2023

# The situation of the expenditures incurred at 30.09.2023

'000 RON



Line	Expenditures	2023					2022										
		Initial 2023	% /TP	Initial at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP	Initial 2022	% /TP	Initial at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP
<b>Functional classification</b>		<b>1,892,291.5</b>		<b>1,670,018.7</b>		<b>1,986,109.7</b>		<b>1,531,084.3</b>		<b>1,388,198.0</b>		<b>1,070,535.3</b>		<b>1,191,417.7</b>		<b>1,102,073.4</b>	
1	Public authorities and external actions	290,997.2	13.9%	262,791.7	14.4%	274,498.3	13.4%	131,706.3	12.9%	240,962.0	16.8%	206,017.0	17.2%	199,410.0	16.0%	79,497.2	11.4%
2	Transactions regarding the public debt (interests and commissions)	94,001.0	4.5%	87,126.0	4.8%	81,958.0	4.0%	47,887.2	4.7%	36,401.0	2.5%	33,601.0	2.8%	40,702.0	3.3%	35,742.5	5.1%
3	Education	325,157.8	15.5%	283,558.8	15.6%	339,488.8	16.6%	134,186.0	13.2%	223,573.0	15.6%	199,923.0	16.7%	218,177.0	17.5%	86,819.3	12.4%
4	Health	6,061.0	0.3%	4,720.0	0.3%	3,224.0	0.2%	1,210.6	0.1%	5,036.0	0.4%	5,025.0	0.4%	6,525.0	0.5%	28.7	0.0%
5	Culture, recreation and religion	198,864.0	9.5%	157,911.0	8.7%	174,479.0	8.5%	116,793.6	11.5%	129,329.0	9.0%	100,199.0	8.4%	102,830.0	8.2%	76,890.5	11.0%
6	Insurance and social assistance	319,374.0	15.3%	280,305.0	15.4%	278,130.0	13.6%	229,240.5	22.5%	280,937.0	19.6%	236,287.0	19.7%	238,966.0	19.1%	189,662.1	27.1%
7	Housing, public service and development	310,866.1	14.9%	285,496.1	15.7%	341,797.0	16.7%	105,213.9	10.3%	183,906.0	12.8%	136,712.0	11.4%	140,664.0	11.3%	79,239.2	11.3%
8	Environment protection	293,658.8	14.0%	253,058.8	13.9%	315,656.2	15.4%	116,262.2	11.4%	119,411.0	8.3%	101,048.0	8.4%	108,668.0	8.7%	62,812.6	9.0%
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	179,880.0	8.6%	139,748.0	7.7%	169,929.0	8.3%	92,548.6	9.1%	146,473.0	10.2%	123,188.0	10.3%	146,717.0	11.7%	51,754.5	7.4%
11	Other expenditures	72,508.0	3.5%	65,295.5	3.6%	66,365.7	3.2%	43,857.0	4.3%	68,674.0	4.8%	55,851.0	4.7%	47,026.0	3.8%	36,736.8	5.3%
12	Reserves, Surplus / Deficit	- 199,076.4		- 149,992.1		- 59,416.3		512,178.4		- 46,504.0		- 127,315.8		- 58,267.3		402,889.9	
<b>Economic classification</b>		<b>1,892,291.5</b>		<b>1,670,018.7</b>		<b>1,986,109.7</b>		<b>1,531,084.3</b>		<b>1,388,198.0</b>		<b>1,070,535.3</b>		<b>1,191,417.7</b>		<b>1,102,073.4</b>	
1	Staff costs	282,700.0	13.5%	235,063.0	12.9%	227,294.5	11.1%	190,437.6	18.7%	232,234.0	16.2%	184,977.0	15.4%	188,707.0	15.1%	157,346.3	22.5%
1.1	without those for Education and Insurance and social assistance	105,685.0	5.1%	86,617.0	4.8%	88,310.5	4.3%	72,165.5	7.1%	93,984.0	6.6%	72,469.0	6.0%	71,248.0	5.7%	59,667.0	8.5%
2	Social assistance	113,275.0	5.4%	98,736.0	5.4%	95,186.0	4.7%	82,534.4	8.1%	89,645.0	6.2%	73,820.0	6.2%	76,347.0	6.1%	61,562.5	8.8%
3	Subsidies	5,171.0	0.2%	4,671.0	0.3%	2,265.0	0.1%	2,264.2	0.2%	5,200.0	0.4%	4,500.0	0.4%	4,500.0	0.4%	2,943.1	0.4%
4	Goods and services	423,584.0	20.3%	351,265.0	19.3%	365,574.8	17.9%	276,114.8	27.1%	446,963.0	31.2%	389,902.0	32.6%	354,780.0	28.4%	215,946.2	30.9%
5	Capital expenditures	458,610.0	21.9%	361,274.0	19.9%	510,839.9	25.0%	192,588.3	18.9%	290,206.0	20.2%	224,688.0	18.8%	289,980.0	23.2%	83,640.2	12.0%
6	Interest	94,000.0	4.5%	87,125.0	4.8%	81,957.0	4.0%	47,886.2	4.7%	36,400.0	2.5%	33,600.0	2.8%	40,701.0	3.3%	35,741.5	5.1%
7	Loan reimbursements	82,700.0	4.0%	68,100.0	3.7%	57,000.0	2.8%	49,235.7	4.8%	72,000.0	5.0%	50,000.0	4.2%	45,165.0	3.6%	43,414.2	6.2%
8	Current transfers	76,052.0	3.6%	71,482.0	3.9%	73,642.0	3.6%	53,509.8	5.3%	66,172.0	4.6%	52,233.0	4.4%	49,186.0	3.9%	38,902.1	5.6%
9	Internal transfers	-	-	-	-	34,329.8	1.7%	22,128.0	2.2%	26,312.0	1.8%	20,636.0	1.7%	27,451.0	2.2%	20,019.9	2.9%
10	Projects financed from non-reimbursable external funds	197,139.0	9.4%	194,441.0	10.7%	250,673.1	12.3%	40,106.2	3.9%	112,656.0	7.9%	111,629.0	9.3%	120,171.0	9.6%	10,906.1	1.6%
11	Projects financed from national funds (PNRR)	227,563.9	10.9%	227,563.9	12.5%	256,412.0	12.5%	16,202.6	1.6%	-	-	-	-	-	-	-	-
12	Other expenditures	130,573.0	6.2%	120,290.0	6.6%	90,352.0	4.4%	45,897.9	4.5%	56,914.0	4.0%	51,866.0	4.3%	52,697.0	4.2%	28,761.5	4.1%
13	Reserves, Surplus / Deficit	- 199,076.4		- 149,992.1		- 59,416.3		512,178.4		- 46,504.0		- 127,315.8		- 58,267.3		402,889.9	
<b>Total payments (TP) (total expenditures performed without considering the periods' result)</b>		<b>2,091,367.9</b>		<b>1,820,010.9</b>		<b>2,045,526.0</b>		<b>1,018,905.9</b>		<b>1,434,702.0</b>		<b>1,197,851.0</b>		<b>1,249,685.0</b>		<b>699,183.5</b>	
<b>Operational expenditures</b>		947,783.0	45.3%	799,205.0	43.9%	833,921.5	40.8%	645,604.4	63.4%	899,539.0	62.7%	757,442.0	63.2%	731,491.0	58.5%	522,844.9	74.8%
<b>Investment expenditures</b>		966,883.9	46.2%	865,579.9	47.6%	1,072,646.5	52.4%	276,178.6	27.1%	426,759.0	29.7%	356,805.0	29.8%	432,327.0	34.6%	97,181.9	13.9%
<b>Financial expenditures</b>		176,701.0	8.4%	155,226.0	8.5%	138,958.0	6.8%	97,123.0	9.5%	108,404.0	7.6%	83,604.0	7.0%	85,867.0	6.9%	79,156.7	11.3%
<b>Total of the Operating Section</b>		<b>1,124,484.0</b>	<b>53.8%</b>	<b>954,431.0</b>	<b>52.4%</b>	<b>972,879.5</b>	<b>47.6%</b>	<b>742,727.3</b>	<b>72.9%</b>	<b>1,007,943.0</b>	<b>70.3%</b>	<b>841,046.0</b>	<b>70.2%</b>	<b>818,105.0</b>	<b>65.5%</b>	<b>602,001.6</b>	<b>86.1%</b>
Reserves, surplus/deficit for the operating section		- 0.0		- 398.3		124,178.4		428,109.2		- 0.0		- 53,510.3		190,746.7		372,326.8	
<b>Total of the Development Section</b>		<b>966,883.9</b>	<b>46.2%</b>	<b>865,579.9</b>	<b>47.6%</b>	<b>1,072,646.5</b>	<b>52.4%</b>	<b>276,178.6</b>	<b>27.1%</b>	<b>426,759.0</b>	<b>29.7%</b>	<b>356,805.0</b>	<b>29.8%</b>	<b>431,580.0</b>	<b>34.5%</b>	<b>97,181.9</b>	<b>13.9%</b>
Reserves, surplus/deficit for the development section		- 199,076.4		- 149,593.8		- 183,594.7		84,069.2		- 46,504.0		- 73,805.5		- 249,014.0		30,563.1	

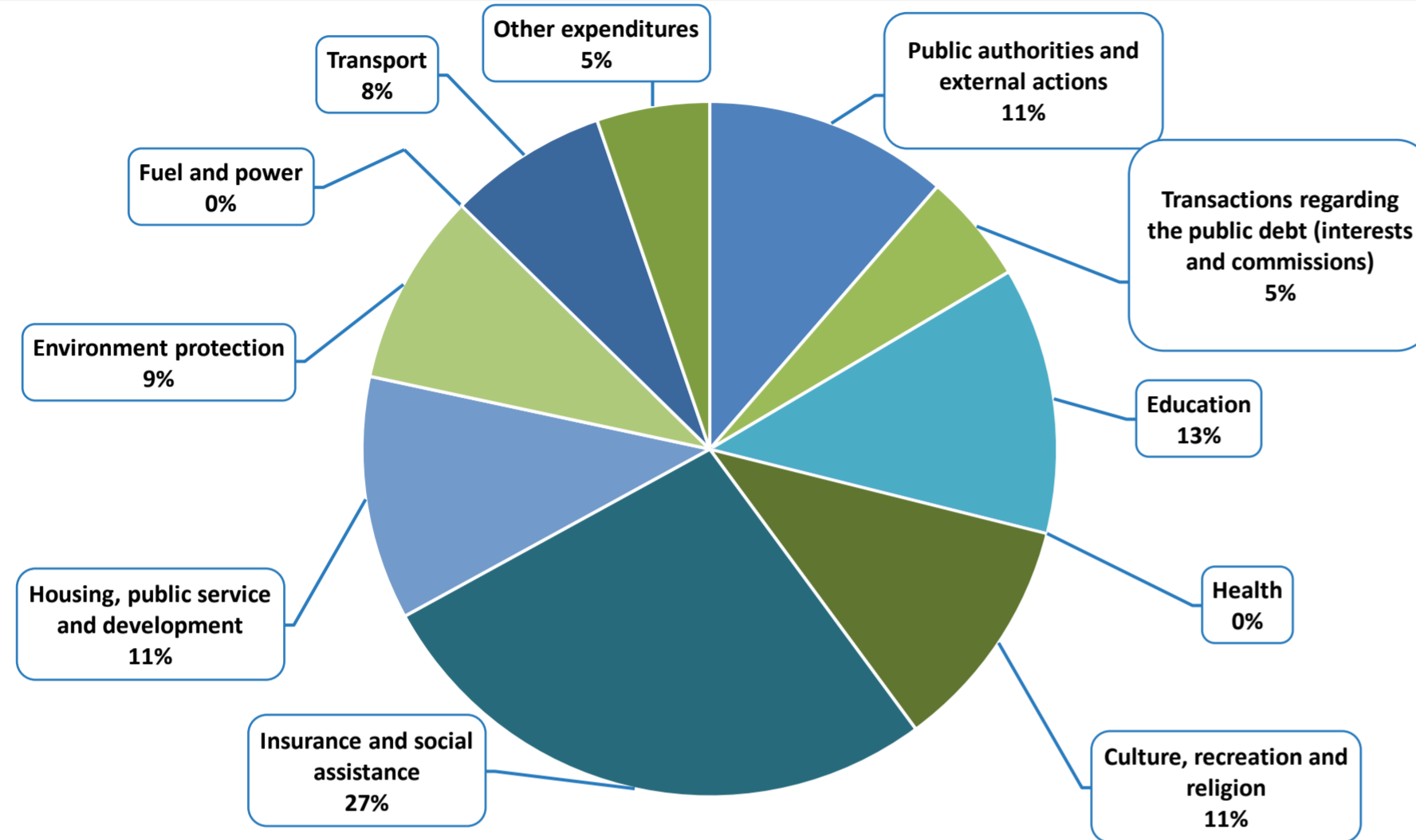
# The variation of the performed expenditures at Q3 2023 vs. Q3 2022

Functional classification

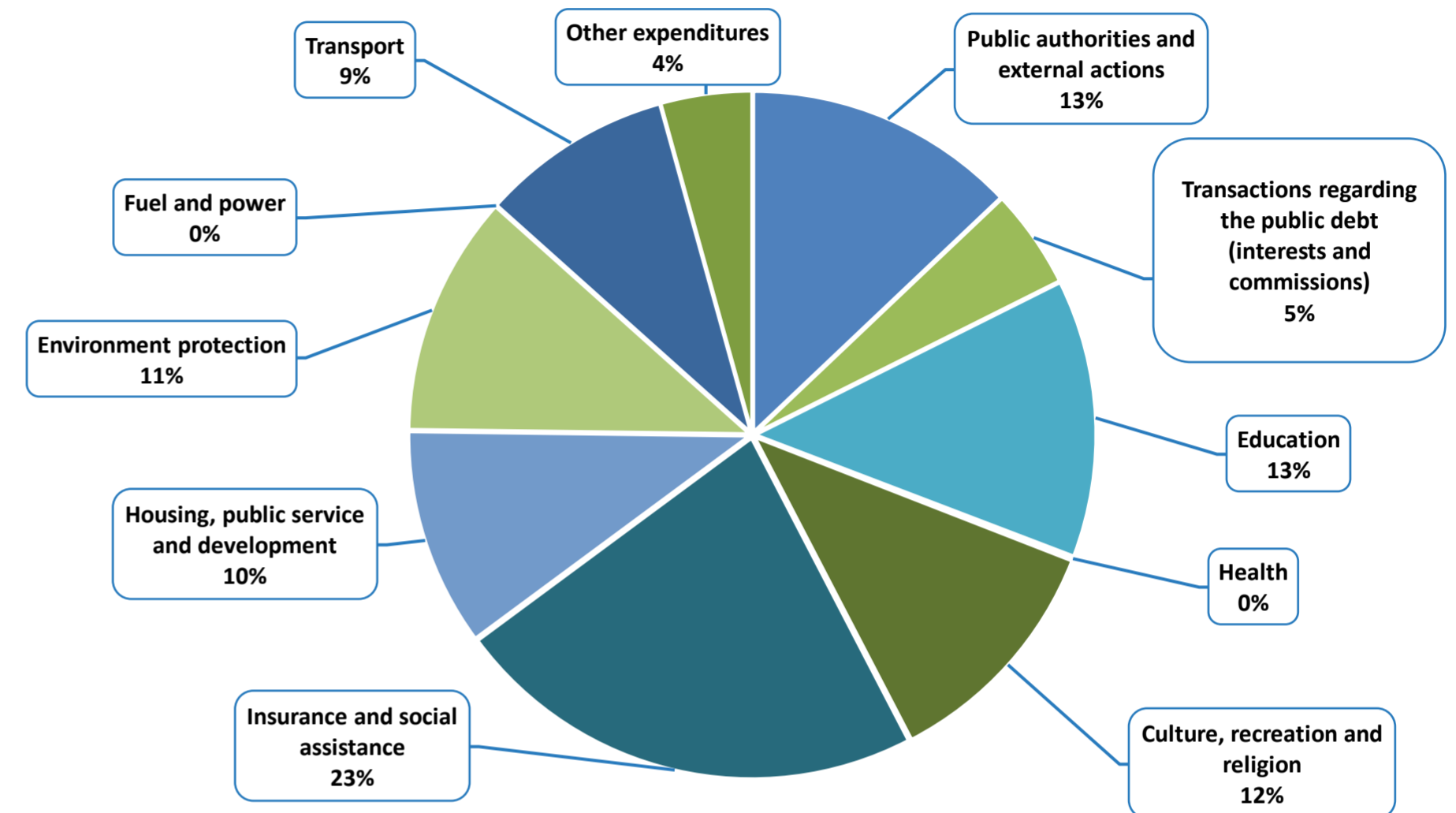
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The structure of the payments performed at Q3 2022



The structure of the payments performed at Q3 2023



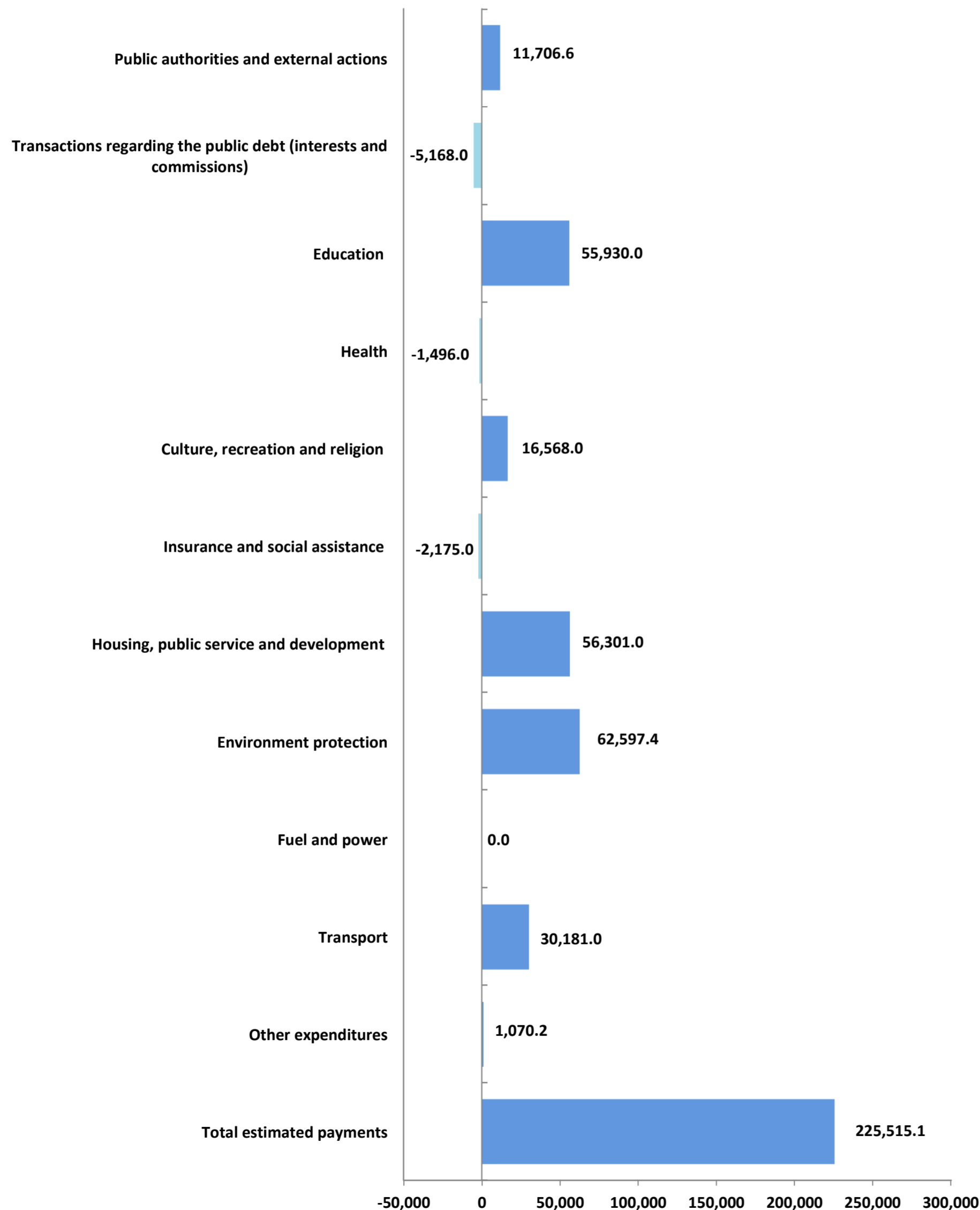
The level of total payments made increased by RON 319,722.5 th (+45.7%) over the budget execution of the reference period of the previous year.

- At the level of the **Environment protection** chapter, there are higher payments by RON 53,449.5 th (+85.1%), mostly from the Sanitation paragraph (+RON 52,039.5 th, +83.3%);
- For the chapter **Public authorities and external actions**, expenses are recorded in Q3 2023 higher by RON 52,209.1 th (+65.7%) compared to the same period of the previous year;
- Within the **Education** chapter, the payments made increased by RON 47,366.7 th (+54.6%), especially for Pre-school and elementary education (+RON 21,520.1 th, +82.4%), School after school (+RON 15,494.6 th), Secondary education (+RON 3,657.6 th, +9.5%), Other expenditures for education (+RON 1,711.6 th, +8.6%) were increased and payments were recorded for pre-preschool education amounting to RON 3,858.1 th and for Auxiliary Services for education amounting to RON 1,214.4 th (excluding such payments in Q3 2022);
- For the **Transports** chapter, higher payments are recorded by RON 40,794 th (+78.8%), entirely at the level of the Streets paragraph;
- Within the chapter **Culture, recreation and religion**, there is an increase of RON 39,903.1 th (+51.9%), influences coming mainly from the paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 39,066.1 th, +53.7%);
- Another increase in payments is found in the **Insurance and social assistance** chapter (+RON 39,578.5 th, +20.9%). This increase is influenced by expenditures for Social assistance for the disabled (+RON 27,058.8 th, +36.4%), Social assistance for family and children (+RON 9,015.3 th, +44.9%), Other expenditures in the insurance and social assistance field (+RON 11,797.9 th, +21.6%) and Assistance to the elderly (+RON 6,039.4 th, +88.3%), corroborated with the decrease in those for Nurseries (-RON 10,349.5 th, -46.6%), respectively for Social Assistance (-RON 4,320.7 th, -99.8%);
- Within the chapter **Housing, services and public development**, there is an increase in payments by RON 25,974.7 th (+32.8%), influences coming from the subchapter Other services for housing, public services and rural development (+RON 16,820.9 th, +32.3%) and Houses (+RON 9,153.8 th, +33.8%);
- Another increase in payments is found in the chapter **Transactions regarding the public debt** (+RON 12,144.7 th, +34%);
- For the chapter group **Other expenditures**, there is an increase in payments made by RON 7,120.2 th (+19.4%), mainly due to payments for Community public services for persons evidence (+RON 3,179.4 th, +46.6%) and those for Local Police (+RON 3,151.5 th, +10.6%);
- For the **Health** chapter, payments were increased by RON 1,181.9 th, fully for other health institutions and actions.





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



The budget amendment for Q3 2023 targeted an increase in provisions by 12.4% (+RON 225,515.1 th), thus including allocations for the first nine months of the year amounting to RON 2,045,526 th (without taking into account the forecasted result of the period). Thus, budgetary rectification provided:

- For the **Environment Protection** chapter, the budget amendment increased the allocations to RON 315,656.2 th, which are RON 62,597.4 th (+24.7%) above the level included in the initial budget. Thus, for the Collection, treatment and destruction of waste, the provisions were increased by RON 53,200 th (+51.1%), for Pollution reduction and control by RON 8,000.2 th (+124.2%), for Sanitation by RON 4,008 th (+3%) and for Other services in the environment protection field by RON 1,000.2 th (+100%), while Canalization and treatment of wastewater the final budget provided for lower amounts by RON 3,611 th (-60.1%);
- For the chapter **Housing, public service and development**, final provisions are worth RON 341,797 th, over the initial ones by RON 56,301 th (+19.7%). For Other expenditures in the housing system, the initial provisions increased by RON 81,440 th (+52.6%), followed by the decrease of those for Other services for housing, public services and rural development (-RON 23,857 th, -21.8%) and Water supply (-RON 1,483 th, -47.4%);
- Higher budget allocations by RON 55,930 th (+19.7%) within the **Education** chapter, up to RON 339,488.8 th, considering the allocations for: Pre-school and elementary education (+RON 35,718 th, +28%), Other expenditures for education (included in the final budget amounting to RON 25,942 th, but without initial allocations), Secondary education (+RON 13,014 th, +18.1%), Pre-preschool education (-11,835 th RON, -23.6%) and School after school (-6,857 th RON, -24.1%);
- Within the **Transports** chapter, the final provisions are worth RON 169,929 th, which is RON 30,181 th (+21.6%) above the initial ones, the dynamics being fully reflected at the level of the provisions related to the paragraph Streets;
- Culture, recreation and religion**, chapter for which the initial provisions were increased by RON 16,568 th (+10.5%), up to RON 174,479 th, mostly at the level of paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 16,669 th, +11%);
- Public authorities and external actions**, chapter containing total provisions amounting to RON 274,498.3 th, which is RON 11,706.6 th above the initial allocations (+4.5%);
- The final provisions for the **Other expenditures** group amount to RON 66,365.7 th, being higher by RON 1,070.2 th (+1.6%) compared to the initial ones, mainly at the level of Other economic actions (final provisions amounting to RON 1,750 th) Community public services for the registration of persons (+RON 1,180 th, +11.3%), Local Police (+RON 1,025 th, +2.2%) and the Budget Reserve Fund available to local authorities (-2,750 th RON, -39.3%);
- For the chapter **Transactions on public debt**, the budget amendment decreased the allocations to RON 81,958 th, which are RON 5,168 th (-5.9%) below the level included in the initial budget;
- Within the **Insurance and Social Assistance** chapter, the final provisions were decreased by RON 2,175 th (-0.8%), to RON 278,130 th. The dynamics is generated by the following changes: Assistance to the elderly (-RON 4,453 th, -22.1%), Other expenses in the field of insurance and social assistance (-RON 1,994 th, -2.3%), Nurseries (-RON 1,019 th, -5%), Medical and social assistance units (-RON 896 th), Social assistance for family and children (+RON 5,326 th, +17.6%), Social assistance for the disabled (+RON 911 th);
- For the **Health** chapter, the final provisions for Q3 2023 amount to RON 3,224 th, being RON 1,496 th (-31.7%) below the initial level, entirely at the level of the paragraph Other health institutions and actions.



For the entire year 2023, the last budget amendment in Q3 2023 includes provisions with RON 399,846.7 th (+21.1%) above the initial level, changes being found in the following expenditure chapters:

- **Education** (+RON 126,222 th, +38.8%), the dynamics of allocations being reflected as follows: Pre-school and elementary education (+RON 109,025 th), Other expenses in the field of education (+RON 32,723 th), Secondary education (+RON 8,615 th), Pre-preschool education (-RON 14,210 th), School after school (-RON 9,851 th);
  - According to the list of investments related to the final budget, the investments foreseen are worth RON 258,863 th, respectively RON 180,080 th from non-reimbursable external funds and PNRR and RON 78,626 th from the local budget. The main objectives include the construction of nurseries and schools, consolidation, modernization and thermal rehabilitation works, the endowment through PNRR of school units, expertise, design and execution expenses regarding consolidations and interventions to prevent or remove the effects produced by accidental actions and calamities, as well as expenses related to the realization of these investments.
- **Environmental protection** (+RON 82,088.4 th, +28%), changes in initial provisions are noted for: Collection, treatment and destruction of waste (+RON 40,600 th), Sanitation (+RON 36,099 th), Pollution reduction and control (+RON 8,000.2 th), Other services in the field of environment protection (+RON 1,000.2 th), Canalization and treatment of wastewater (-RON 3,611 th);
  - The list of investments for 2023 provides for allocations worth RON 241,311.5 th under this chapter, financed from FEN (RON 130,300 th) and PNRR (RON 28,519 th) projects, own revenues (RON 76,710 th) and the local budget (RON 5,782.5 th). The main objectives refer to the extension of the separate waste collection system, the construction of 265 digitized ecological islands and independent facilities (chassis, automators, garbage truck, electric street vacuum cleaner).
- **Housing, services and public development** (+RON 74,664 th, +24%), as follows: Other expenditures in housing (+RON 78,202 th), Other services in housing, services and communal development (-RON 2,056 th), Water supply (-RON 1,483 th);
  - According to the list of investments accompanying the amended budget, the works related to 2023 are worth RON 296,357 th, respectively RON 134,563 th from the local budget, RON 132,550 th from PNRR funds and RON 29,229 th from own revenues. The main objective financed under this chapter refers to the thermal rehabilitation of residential blocks in order to increase energy efficiency. To these works are added expenses related to studies / projects.
- **Transports** (+RON 63,933 th, +35.5%), by increasing the provisions for the Streets paragraph;
  - The list of investments related to the amended budget provides objectives worth RON 231,116.2 th, fully financed from the local budget (RON 221,947 th) and internal credits (RON 9,169.2 th). Specifically, the list of investments targets works to improve infrastructure at streets, alleys and parking lots, including studies and projects, capital repairs and related services related to the execution of ground parking works.
- **Culture, recreation and religion** (+RON 45,983 th, +23.1%), given that the allocations for the Maintenance of public gardens, parks, green areas, sports and leisure centers have been increased (+RON 45,859 th);
  - During 2023, the list of investments related to the amended budget provides for investments totaling RON 123,583 th, entirely from the local budget and are mainly oriented towards landscaping works, parks, playgrounds, green spaces and boulevards.
- **Insurance and social assistance** (+RON 13,681 th, +4.3%), through higher provisions for Social assistance for the disabled (+RON 10,320 th) and Social assistance for family and children (+RON 6,965 th), respectively through large small provisions for Assistance to the elderly (-RON 2,903 th);
  - The list of investments for 2023 includes investment objectives worth RON 24,358 th, of which RON 13,867 th from the local budget and RON 9,893 th from non-reimbursable funds. The main objectives within the chapter are food bank endowments, nursery construction and facilities and independent facilities.
- **Transactions regarding the public debt** (-RON 3,500 th, -3.7%);
- **Public authorities and external actions** (-RON 2,137.3 th, -0.7%);
  - The list of investments related to the amended budget provides for investments worth RON 145,498.7 th at the level of the year, respectively RON 96,683 th from non-reimbursable external funds, RON 47,200 th from the local budget and RON 1,281.7 th from internal loans. The main objectives include modernization of educational units, integrated video surveillance/monitoring system and independent facilities.
- **Health** (-RON 1,067.6 th, -17.6%), changes to the initial provisions are noted mainly for Other health institutions and actions (-RON 1,068.6 th);
  - Investment expenses of RON 97,542.2 th were estimated, financed from internal loans (RON 92,548.7 th) and from the local budget (RON 4,993.5 th), especially for block rehabilitation works.





### Achievement degree compared to the final provisions

The payments made during the first nine months of 2023 amount to RON 1,018,905.9 th, respectively RON 1,026,620.1 th below the level of budgetary provisions (recording an execution rate of 49,8%).

- Within the chapter **Housing, services and public development**, payments are recorded by RON 236,583.1 th below the estimated level, with an execution rate of 30.8% determined by lower expenses with Other expenses in the field of housing (-RON 207,717.4 th, -88%), Other services in the fields of housing, services and communal development (-RON 16,513.7 th, -19.3%) and Development of the housing system (-RON 10,433.9 th, -57.1%), as well as the lack of expenses for water supply (provisions worth RON 1,643 th);
- Within the **Education** chapter, payments are RON 205,302.8 th below estimates, registering an execution rate of 39.5% determined by lower expenses for preschool and primary education (-RON 115,479 th, -70.8%), secondary education (-RON 42,557.2 th, -50.2%), Pre-preschool education (-RON 34,460.9 th, -89.9%), School after school (-RON 6,017.9 th, -27.9%), Other expenses in education (-RON 4,213.7 th, -16.2%) and Special Education (-1,689.2 th RON, -45.9%);
- Within the **Environment Protection** chapter, payments are RON 199,394 th below estimates, registering an execution rate of 36.8% determined by lower expenses for waste Collection, treatment and destruction of waste (-RON 156,567.7 th, -99.5%), Sanitation (-RON 24,987.3 th, -17.9%), as well as the absence of those for Pollution reduction and control (provisions in the amount of RON 14,444 th), Canalization and treatment of wastewater (provisions worth RON 2,395 th) and Other services in the environment protection field (provisions worth RON 1,000 th);
- At the level of the chapter **Public authorities and external actions**, payments are RON 142,792 th below estimates, respectively registering a degree of execution of 48%;
- Within the **Transport** chapter, payments are RON 77,380.4 th below estimates, registering an execution rate of 45.5% entirely determined by the execution of payments at the level of the Streets paragraph;
- The expenditures incurred within the chapter **Culture, Recreation and Religion** are RON 57,685.4 th below the planning level, with an execution rate of 66.9%, mostly with influences from the Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 56,179.6 th, -33.4%);
- Within the chapter **Insurance and social assistance**, payments are RON 48,889.5 th below estimates, registering an execution rate of 82.4% and influences from Other expenditures in the social assistance field (-RON 19,840.6 th, -23%), Social assistance for the disabled (-RON 11,675.4 th, -10.3%), Nurseries (-RON 7,403.9 th, -38.5%), Social assistance for family and children (-RON 6,421.6 th, -18.1%) and Assistance for the elderly (-RON 2,862.7 th, -18.2%);
- The expenses incurred within the chapter **Transactions on public debt** are RON 34,070.8 th below the estimates, registering an execution rate of 58.4%;
- Chapter group **Other expenditures** recorded values of RON 22,508.7 th below the level of budgetary provisions, respectively an execution rate of 66.1% determined mainly by payments for Local police (-RON 15,319.2 th, -31.9%), Budgetary reserve fund at the disposal of local authorities (final provisions worth RON 4,250 th), Community public services for persons evidence (-RON 1,620.6 th, -13.9%) and Other economic actions (-RON 1,000 th, -57.1%);
- For the **Health** chapter, the payments made amount to RON 1,210.6 th, being RON 2,013.4 th below the level provided in the final budget (execution rate of 37.5%), the dynamics being fully related to the paragraph Other sanitary establishments and actions.





## Table of contents Section III

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

- The variation of the performed expenditures at Q3 2023 vs. Q3 2022
- Budgetary provisions: the achievement degree of the expenditures at Q3 2023
- Expenditures ratios

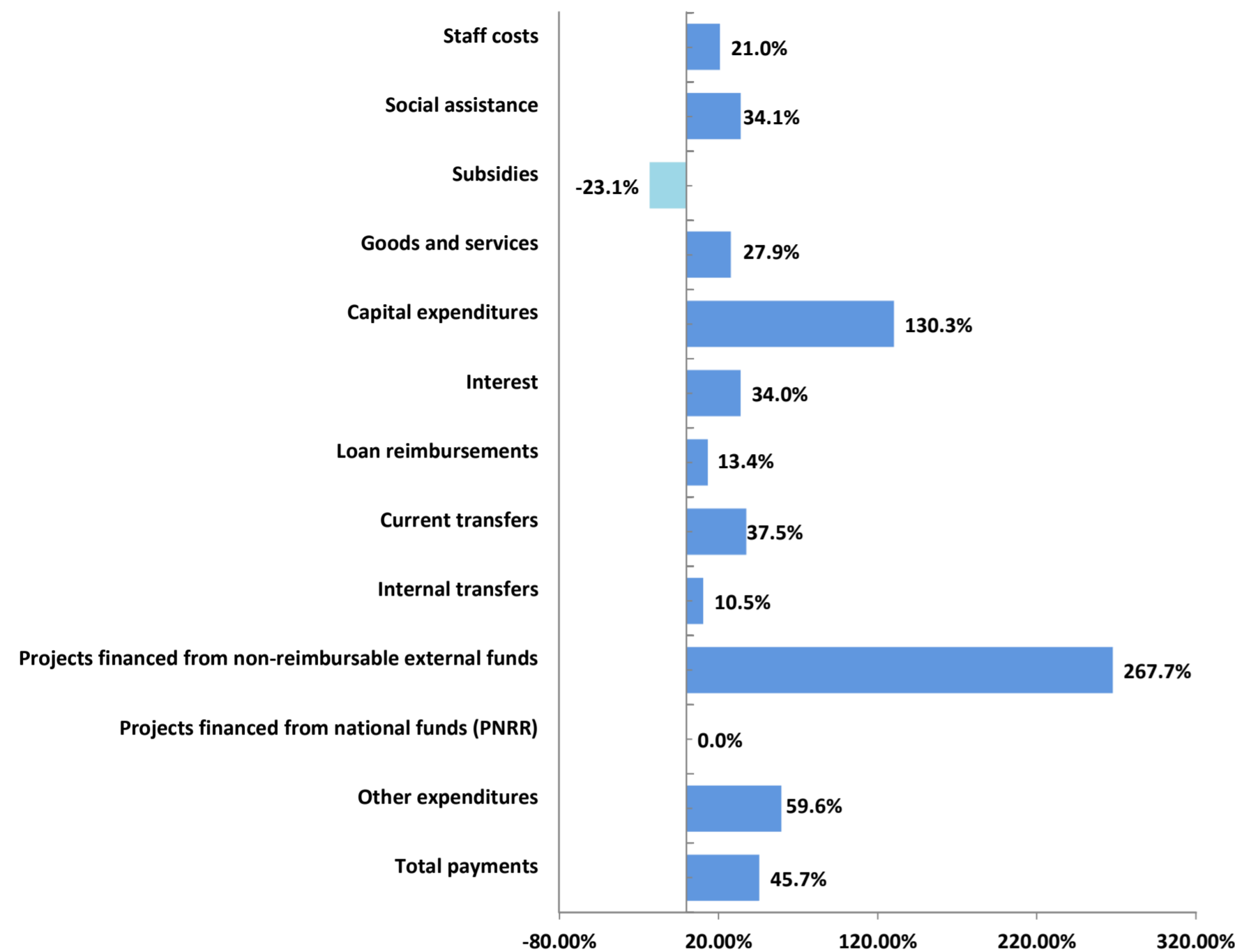


# The variation of the performed expenditures at Q3 2023 vs. Q3 2022

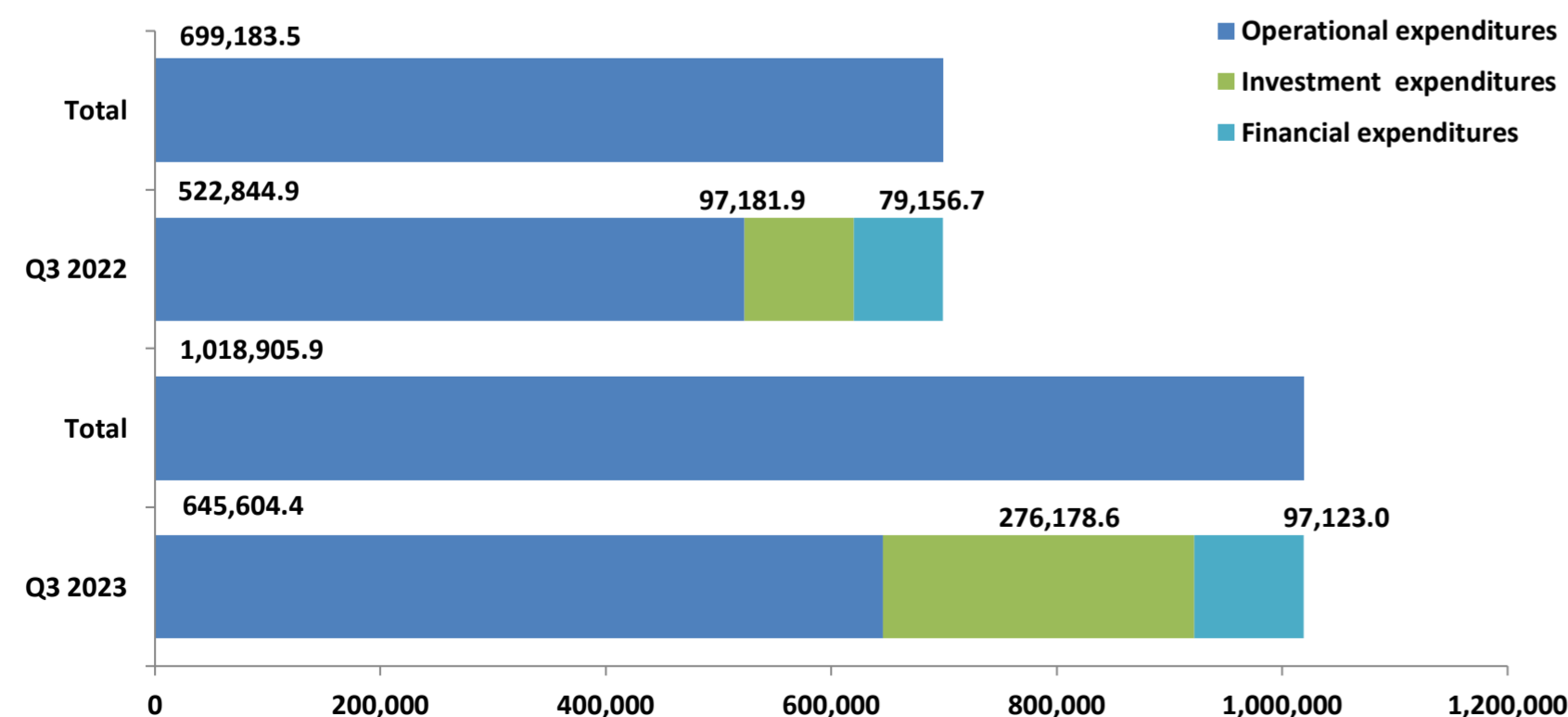
Economic classification

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**Economic expenditures variation**



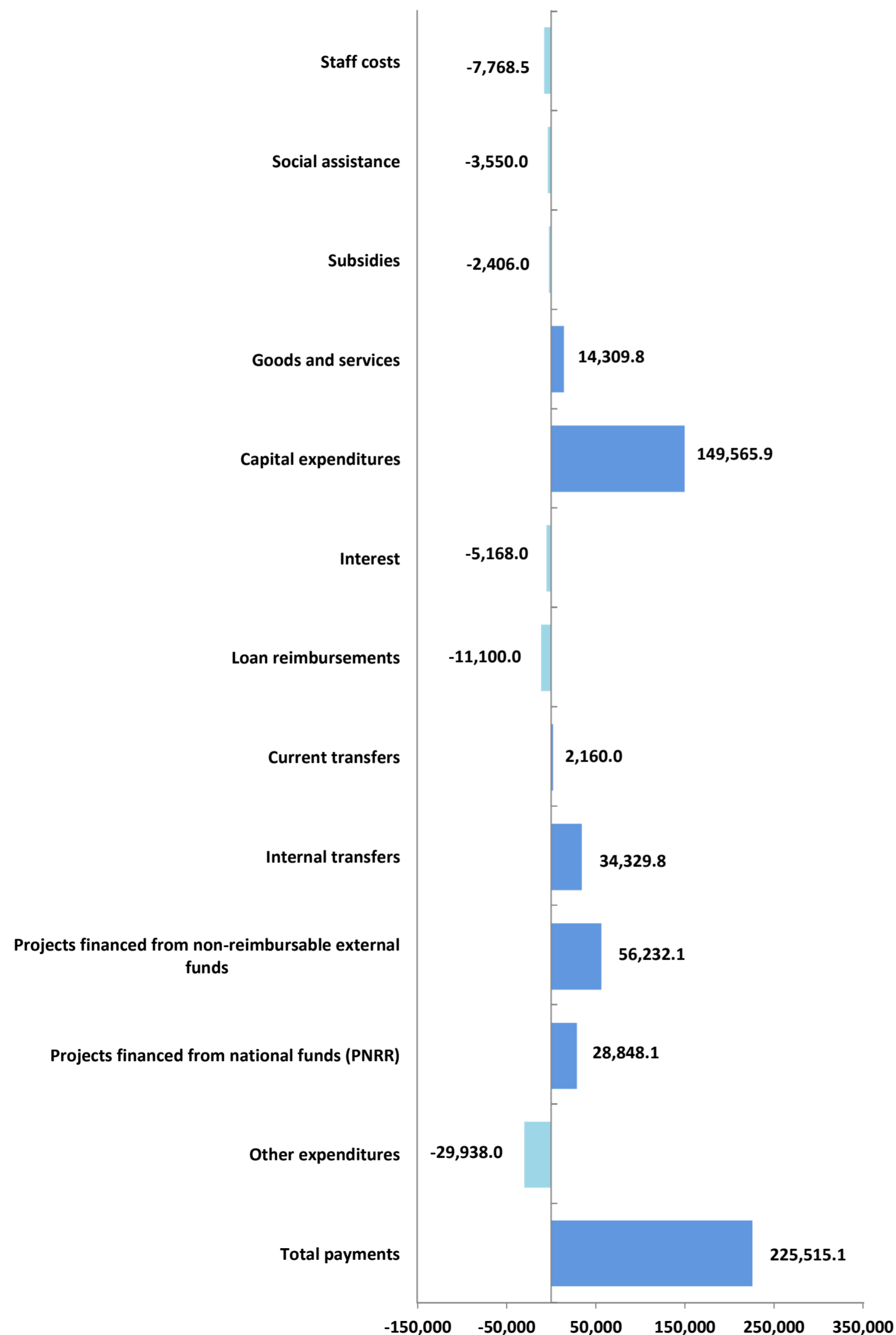
**Expenditures structure**



- Investment expenditures** register a value by RON 178,996.7 th (+184.2%) higher than the execution of the previous reference period. As such, these payments are mainly represented by the following titles:
  - Capital expenditures** (+RON 108,948.1 th, +130.3%), with influences from payments for Construction (+RON 81,268.4 th), Other fixed assets (+RON 12,758.7 th), Machines, equipments and means of conveyance (+RON 12,634.2 th), Participation in the share capital of commercial companies (in the amount of RON 1,750.4 th in Q3 2023, without such payments recorded in the similar period of the previous year), respectively Capital repairs for fixed assets (+RON 1,426.4 th);
  - Projects financing from non-refundable external funds** (+RON 29,200.1 th, +267.7%) related to the 2014-2020 financial framework, mainly Programs from the European Regional Development Fund (+RON 28,765.1 th);
  - Capital transfers** (+RON 24,259.5 th, +816%), fully represented by Other capital transfers to public institutions;
  - Projects financed from national funds**, with expenses registered in Q3 2023 amounting to RON 16,202.6 thousand, mainly for Projects financed from the amounts related to the loan component of PNRR (without amounts in Q3 2022).
- Operational expenditures** register a level by RON 122,759.5 th (+23.5%) above that of the same period of the previous year, as a result of:
  - A higher level of payments for **Goods and services** (without taking into account the Commissions and other costs related to loans) by RON 60,168.7 th (+27.9%). The evolution is mainly highlighted at the level of payments for Materials and services with functional character (+RON 30,175.6 th, +42.8%), Other materials and services for maintenance and functioning (+RON 29,573.3 th, +46.9%), Other expenses with materials and services changes (+RON 5,484.6 th, +97.1%), Heating, lighting and driving force (+RON 3,826.4 th, +20.1%), Food for people (+RON 3,211.3 th, +78.6%), Other registered materials (+RON 2,035.9 th, +94%), Water, sewerage and sanitation (+RON 1,703.6 th, +35%), Current repairs (-RON 15,142.6 th, -53.2%), Consultancy and expertise (-RON 1,349.6 th, -27.1%), Fuels and additives (-RON 1,001.6 th, -26.3%);
  - Increase in **Staff costs** (+RON 33,091.3 th, +21%) mainly determined by the increase of payments for Base salaries (+RON 20,026.9 th, +14.8%), and the recording expenditures for Fund for payments by the hour in amount of RON 5,860.5 th (without values at Q3 2022), and the increase in those for bonuses for working conditions (+RON 4,894 th, +80.1%), Other remuneration rights paid in cash (+RON 1,059.7 th, +51.8%), and Precautionary contribution for work (+RON 718.3 th, +21.7%).
  - Increase in payments for **Social assistance** (+RON 20,972 th, +34.1%), influences coming mainly from the Social support in cash (+RON 19,094.7 th, +34.2%) and Food support (amounting to RON 1,214.4 th, without such amounts in the similar period of the previous year paragraphs);
  - Increase by RON 14,607.7 th (+37.5%) of the expenditures related to **Transfers to public institutions** and by RON 1,711.6 th (+8.6%) of the payments for **Financing of private or confessional accredited education**;
  - Decrease of **Other operational expenditures** group, with majority influences from the paragraph Scholarships (-RON 7,569.7 th, -29.3%), but also the registration of payments amounting to RON 1,073.1 th for Associations and foundations (without amounts in Q3 2022).
- Financial expenditures** register an increase by RON 17,966.3 th (+22.7%), respectively the payments related to **Interests** are higher by RON 12,144.7 th (+34%), mainly due to the major fluctuations in the indices in the domestic banking market. At the same time, the payments for **Loans** got higher by RON 5,821.6 th (+13.4%).



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



- The **Investment expenditures** for the third quarter of 2023 have been included in the revised budget at a value of RON 1,072,646.5 th, respectively RON 207,066.6 th above the initially planned provisions (+23.9%). The dynamic is reflected as follows:
  - For Projects financed from non-reimbursable external funds, provisions amounting to RON 250,673.1 th were included in the final budget, which are RON 56,232.1 th (+28.9%) above the initial allocations, entirely for the financial framework 2014-2020, increases provided for in the Cohesion Fund Programs (+RON 45,419 th, +52.8%) and those in the European Regional Development Fund (+RON 11,759 th, +12.2%);
  - At the level of Projects financed from national funds (PNRR), the final allocations increased by RON 28,848.1 th (+12.7%), mainly at the level of Projects financed from the amounts related to PNRR loan components (+RON 28,831 th, +15.4%);
  - Capital expenditures with an increased ceiling by RON 149,565.9 th (+41.4%), including higher allocations for Construction (+RON 116,745 th, +57.4%), Other fixed assets (+RON 33,452.5 th, +62.1%), Capital repairs for fixed assets (+RON 17,848 th, +43.1%) and increased Machines, equipments and means of conveyance (+RON 5,281 th, +20.5%). Also, the provisions for Furniture, office equipment and other tangible assets were reduced, respectively by RON 26,511 th (-72.2%);
  - Capital transfers decreased in the final budget by RON 27,949 th (-34%) compared to the initial ceiling, fully at the level of Other capital transfers to the public institutions.
- At the level of **Operational expenditures**, provisions for the first nine months of the current year exceeded the initial budget by RON 34,716.5 th (+4.3%) resulting in a total value of 833,921.5 th. The dynamics is determined by the following changes:
  - Final provisions amounting to RON 34,329.8 th were included for Internal transfers, as follows: The financing of accredited private or confessional education was (final provisions worth RON 25,930 th) and Amounts representing the incentive for scrapping used vehicles (worth RON 8,000 th), such payments not being foreseen in the initial budget;
  - Goods and services, with final provisions higher by RON 14,309.8 th (+4.1%), mainly at the level of the following lines: Materials and services with functional character (+RON 21,056 th, +24.1%), Other materials and services for maintenance and functioning (+RON 18,676 th, +18.2%), Heating, lighting and driving force (+RON 4,308 th, +17.9%), Food for people (+RON 3,195 th, +38.6%), Other expenses with materials and services changes (+RON 2,183.8 th, +15.3%), Cleaning materials (+RON 1,745 th, +76.5%), Desk furniture (+RON 1,240 th, +26%), Water, sewerage and sanitation (+RON 1,024 th, +14.7%), Current repairs (-RON 31,439 th, -55.7%), Other registered materials (-RON 4,380 th, -31.2%), Transport (-RON 1,342 th, -65.3%);
  - The value of Current transfers was rectified by an increase of 2,160 th RON (+3%), entirely at the level of Transfers to public institutions;



## Budgetary provisions

### Economic classification

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- Staff costs with reduced estimates in the final budget up to RON 227,294.5 th (-RON 7,768.5 th, -3.3%), mainly through lower allocations for Base salary (-RON 6,198 th, -3.3%), Bonuses for working conditions (-RON 1,111 th, -6.7%) and Fund for payments by the hour (-RON 766 th, -8.7%), lack of provisions for seniority bonus (included in the initial budget amounting to RON 979 th) as well as higher allocations for Other remuneration rights paid in cash (+874 th RON, +31.5%);
- Social assistance, with final provisions lower by RON 3,550 th compared to the initial ones (-3.6%), mainly for Social support in cash (-RON 4,037 th) and in kind (+RON 475 th, +5.1%);
- At the level of the Other expenditures group: amounts below the initial budget were provided with RON 2,750 th (-39.3%) for the Budget Reserve Fund at the disposal of local authorities and with RON 1,852 th for Payments made in previous years and recovered in the current year in the operation section of the local budget. In addition, sums were provided in the final budget for Associations and foundations in the amount of RON 2,171 th and the initial estimates were increased by RON 846 th for Scholarships (+2.9%);
- The final provisions related to the Subsidies are by RON 2,406 th below those provided in the initial budget (-51.5%), fully at the level of Other Subsidies;
- The final provisions related to **Financial expenditures** are below the initial ones by RON 16,268 th (-10.5%), respectively estimates decreased by RON 11,100 th for Loan reimbursement (-16.3%) and by RON 5,168 th for Interest.

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At the level of 2023, in terms of economic classification, the last budget amendment in Q3 2023 provides for changes at the level of the following groups:

- **Investment expenditures** (+RON 364,963.1 th, +37.7%), the changes being distributed as follows: Capital expenditures (+RON 172,057.3 th, +37.5%), Projects financed from national funds (+RON 111,826.1 th, +49.1%), Projects financed from non-reimbursable external funds (+RON 54,285.1 th, +27.5%); Capital transfers (+RON 26,425 th, +31.6%);
- **Operational expenditures** (+RON 38,383.6 th, +4%), with influences on final allocations for: Internal transfers (final provisions amounting to RON 32,707 th for Financing of private or confessional accredited education and amounting to RON 8,000 th for amounts representing the incentive for scrapping used vehicles); Transfers to public institutions (+RON 10,791 th, +14.2%); Social assistance (+RON 4,908 th, +4.3%); Associations and foundations (final provisions amounting to RON 2,906 th); Staff costs (-RON 8,492 th, -3%); Emergency fund for local authorities (-RON 3,750 th, -37.5%); Goods and services (-RON 3,120.6 th, -0.7%); Subsidies (-RON 2,906 th, -56.2%); Payments made in the previous years and recovered in the current year within the operating section of the local budget (-RON 2,035 th);
- **Financial expenditures** (-RON 3,500 th, -2%), the dynamics being fully observed at the level of Interest rate estimates.



### Achievement degree compared to the final provisions

- **Investment expenditures** reach a level of payments with RON 796,467.9 th below the final allocations (execution rate of 25.7%) and are distributed as follows:
  - Capital expenditures are RON 318,251.5 th (-62.3%) below the estimated level, the main variation coming from payments for Constructions (-RON 205,165 th, -64.1%), Other fixed assets (-RON 62,916.2 th, -72.1%), Capital repairs for fixed assets (-RON 26,752 th RON, -45.1%), Machines, equipments and means of conveyance (-RON 14,416.5 th RON, -46.4%) and Furniture, office equipment and other tangible assets (-RON 8,001.8 th RON, -78.5%);
  - Projects financed from national funds have a budget execution in Q3 2023 with RON 240,209.4 th below 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 200,346.8 th, -92.6%) and those financed from the amounts representing non-reimbursable financial assistance related to PNRR (-RON 39,862.6 th RON, -99.3%);
  - Projects financed from non-reimbursable external funds register payments by RON 210,566.9 th (-84%) below estimates, the influences being observed mainly at the level of Programs from Cohesion Fund (-RON 131,105.3 th, -99.8%), Programs from European Fund for Regional Development (-RON 72,081.4 th, -66.5%), European Social Fund (-RON 5,895.2 th, -63.6%) and Other community programs financed in the period of 2014 – 2020 (-RON 1,485.1 th, -90.9%);
  - Capital transfers, with an execution below the final budgetary provisions of RON 27,119.5 th (-49.9%), fully at the level of Other capital transfers to the public institutions.
- **Operational expenditures** register a level of RON 188,317.1 th below the provisions, respectively an execution rate of 77.4%. Expenses lower than the provisions are reflected in the titles:
  - Goods and services, expenses being RON 89,461 th (-24.5%) below the estimated level. The dynamics is mainly reflected in payments for: Other materials and services for maintenance and functioning (-RON 28,437.6 th, -23.5%), Current repairs (-RON 11,741.7 th, -46.9%), Materials and services with functional character (-RON 7,635 th, -7.1%), Consultancy and expertise (-RON 6,544.6 th, -64.3%), Heating, lighting and driving force (-RON 5,529.6 th, -19.5%), Other registered materials (-RON 5,439.4 th, -56.4%), Other expenses with materials and services changes (-RON 5,342.2 th, -32.4%), Food for people (-RON 4,178.4 th, -36.4%), Desk furniture (-RON 3,802.8 th, +63.3%), Cleaning materials (-RON 2,108.6 th, -52.4%), Water, sewerage and sanitation (-RON 1,409.2 th RON, -17.7%), Fuels and additives (-RON 1,334.5 th, -32.2%), Postal services, telecommunications, radio, TV, internet (-RON 1,299.5 th, -39.9%), Professional training (-RON 1,230.8 th, -69.2%);
  - Staff costs, being by RON 36,856.9 th (-16.2%) below the budgetary provisions. The influences come mainly from payments for: Base salary (-RON 25,989.8 th, -14.4%), Bonuses for working conditions (-RON 4,553.6 th, -29.3%), Fund for payments by the hour (-RON 2,211.5 th, -27.4%), Allowances for food (-RON 1,477.7 th, -17.1%), Precautionary contribution for work (-RON 1,156.7 th, -22.3%);
  - Current transfers, payments being RON 20,132.2 th below the level of budgetary provisions (-27.3%), with full influences from transfers to public institutions;
  - Social assistance, registered payments being RON 12,651.6 th (-13.3%) below the budget level, due to a low level of payments related to Social support in cash (-RON 8,717 th, -10.4%) and in kind (-RON 3,350 th, -34.1%);
  - Internal transfers, being RON 12,201.7 th (-35.5%) under provisions, with influences from the line Amounts representing the incentive for scrapping used vehicles (final provisions worth RON 8,000 th, without payments made in Q3 2023) and Financing of private or confessional accredited education (-RON 4,201.7 th, -16.2%);
  - Other expenses, with execution under provisions and influences mainly from payments for Scholarships (-RON 11,288.4 th, -38.2%), Associations and foundations (-RON 1,097.9 th, -50.6%).
- **Financial expenditures** are RON 41,835 th below the estimated level (execution rate of 69.9%), influences coming from payments for Interest (-RON 34,070.8 th, -41.6%) and for Loans reimbursements (-RON 7,764.3 th, -13.6%).



## Expenditures ratios

at Q3 2023, as compared to Q3 2022

'000 RON

Ratios	Q3 2023	Q3 2022
<b>Total staff costs</b>	<b>190,437.6</b>	<b>157,346.3</b>
Expenditures per Capita*	478.7	395.5
The expenditure weight in the operational expenditures	29.5%	30.1%
<b>Staff costs without the ones for the Insurance and social assistance chapter</b>	<b>86,376.5</b>	<b>61,891.8</b>
Expenditures per Capita*	217.1	155.6
The expenditure weight in the operational expenditures	13.4%	11.8%
<b>Current compulsory expenditures</b>	<b>272,972.0</b>	<b>218,908.7</b>
Expenditures per Capita*	686.1	550.2
The expenditure weight in the operational expenditures	42.3%	41.9%
<b>Operational expenditures</b>	<b>645,604.4</b>	<b>522,844.9</b>
Expenditures per Capita*	1,622.7	1,314.2
The expenditure weight in the total expenditures	63.4%	74.8%
<b>Expenditures on debt service financing</b>	<b>97,123.0</b>	<b>79,156.7</b>
Expenditures per Capita*	244.1	199.0
The expenditure weight in the total expenditures	9.5%	11.3%
<b>Total expenditures on investments</b>	<b>276,178.6</b>	<b>97,181.9</b>
Expenditures per Capita*	694.2	244.3
The expenditure weight in the total expenditures	27.1%	13.9%
<b>The expenditures' rigidity</b>	<b>18.7%</b>	<b>22.5%</b>
<b>The weight of the payments from the operating section in the total payments</b>	<b>72.9%</b>	<b>86.1%</b>
<b>The weight of the payments from the development section in the total payments</b>	<b>27.1%</b>	<b>13.9%</b>
<b>The deficit/the surplus of the operating section</b>	<b>428,109.2</b>	<b>372,326.8</b>
<b>The deficit/the surplus of the development section</b>	<b>84,069.2</b>	<b>30,563.1</b>
<b>The weight of the local public debt service in the total made payments</b>	<b>9.5%</b>	<b>11.3%</b>
<b>Maximum annual debt</b>	<b>281,283.3</b>	<b>237,777.8</b>
Net direct debt	155,432.6	130,426.8
Direct indebtedness level	13.4%	13.5%
Net public debt	136,656.5	114,353.1
Public indebtedness level	15.4%	15.6%
<b>The total expenditures achievement degree from the initial budget</b>	<b>56.0%</b>	<b>58.4%</b>
The funds execution level of the expenditures		
Operational expenditures	80.8%	69.0%
Staff costs	81.0%	85.1%
Current compulsory expenditures	81.8%	84.6%
On debt service financing	62.6%	94.7%
On investments	31.9%	27.2%
<b>The funds absorption level of the total expenditures</b>	<b>76.5%</b>	<b>66.2%</b>
<b>Investment expenditures / Operational revenues</b>	<b>15.2%</b>	<b>8.1%</b>
Capita,	<b>397,847</b>	<b>397,847</b>
as of:	01-01-22	01.01.2021

\*The expenditures per Capita are represented in RON

- The **Total staff costs** incurred at Q3 2023 register an increase by RON 33,091.3 th (+21%), compared to the previous period, the dynamics being impacted by the increase in payments with Base salaries (+RON 20,026.9 th, +14.8%), Bonuses for working conditions (+RON 4,894 th, +80.1%), recording expenses for the Hourly Pay Fund for payments by the hour of RON 5,860.5 th (without amounts in Q3 2022) and increasing those related to Other remuneration rights paid in cash (+1,059.7 th RON, +51.8%).
- The **Current compulsory expenditures** increase by RON 54,063.3 th (+24.7%) compared to the level reached in Q3 2022, as a result of:
  - Increase in Total staff costs;
  - A higher level of payments for Social assistance (+RON 20,972 th, +34.1%).
- The **Operational expenditures** incurred register a level with 122,759.5 th (+23.5%) above the payments for Q3 2022, the evolution being determined by:
  - A higher level of payments for Goods and services (excluding Commissions and other costs related to loans) by RON 60,168.7 th (+27.9%);
  - Increase in Total staff costs;
  - Increasing payments for Social assistance;
  - Higher level of Current transfers (+RON 14,607.7 th, +37.5%);
  - Increase by RON 1,711.6 th (+8.6%) of payments for Financing of private or confessional accredited education;
  - Decrease of the group Other operational expenditures, with majority influences from the paragraph Scholarships (-7,569.7 th RON, -29.3%), but also registration of payments worth 1,073.1 th RON for Associations and foundations (without amounts in Q3 2022);
- The **Expenditures on debt service financing** at Q3 2023 register an increase by RON 17,966.3 th (+22.7%), respectively the payments with Interests increased by RON 12,144.7 th (+34%) and the ones with Loan reimbursements increased by RON 5,821.6 th (+13.4%).
- The **Total investments expenditures** made during the first nine months of the current year are up by RON 178,996.7 th (+184.2%) and are mainly represented by: Capital expenditures (+RON 108,948.1 th, +130.3%), Projects financed from non-reimbursable external funds (+RON 29,200.1 th, +267.7%), Capital transfers (+RON 24,259.5 th, +816%) and Projects financed from non-refundable external funds, with expenses registered in Q3 2023 amounting to RON 16,202.6 th (without amounts in Q3 2022).





## Table of contents Section IV

### Section IV:

- Balance Sheet
- Local public debt service



# Balance sheet

at 30.09.2023

'000 RON

Balance sheet	30-09-22			31-12-22			30-09-23		
<b>Current assets</b>	<b>1,015,425.2</b>		<b>10.5%</b>	<b>1,306,152.2</b>		<b>12.8%</b>	<b>1,346,279.0</b>		<b>12.8%</b>
Cash and cash equivalent	498,606.5	49.1%	<b>5.1%</b>	279,219.8	21.4%	<b>2.7%</b>	575,021.1	42.7%	<b>5.5%</b>
Inventories	122,997.0	12.1%	<b>1.3%</b>	149,018.7	11.4%	<b>1.5%</b>	151,810.4	11.3%	<b>1.4%</b>
Receivables	393,820.3	38.8%	<b>4.1%</b>	877,913.7	67.2%	<b>8.6%</b>	619,437.6	46.0%	<b>5.9%</b>
Short term investments	-	-	-	-	-	-	-	-	-
Other current assets	1.4	0.0%	<b>0.0%</b>	-	-	-	9.9	0.0%	<b>0.0%</b>
<b>Fixed assets</b>	<b>8,671,045.6</b>	<b>0.0%</b>	<b>89.5%</b>	<b>8,862,379.5</b>	<b>0.0%</b>	<b>87.2%</b>	<b>9,148,671.9</b>	<b>0.0%</b>	<b>87.2%</b>
Intangible assets	7,240.3	0.1%	<b>0.1%</b>	8,407.8	0.1%	<b>0.1%</b>	7,182.0	0.1%	<b>0.1%</b>
Tangible assets	8,656,577.1	99.8%	<b>89.4%</b>	8,847,245.3	99.8%	<b>87.0%</b>	9,132,986.2	99.8%	<b>87.0%</b>
Other fixed assets	7,228.2	0.1%	<b>0.1%</b>	6,726.4	0.1%	<b>0.1%</b>	8,503.7	0.1%	<b>0.1%</b>
<b>Total assets</b>	<b>9,686,470.7</b>			<b>10,168,531.6</b>			<b>10,494,950.8</b>		
<b>Current liabilities</b>	<b>130,367.5</b>		<b>1.3%</b>	<b>536,996.5</b>		<b>5.3%</b>	<b>317,011.3</b>		<b>3.0%</b>
ST borrowings and CP of LT debt	48,353.6	37.1%	<b>0.5%</b>	-	-	-	202,772.2	64.0%	<b>1.9%</b>
Accounts payable	44,623.6	34.2%	<b>0.5%</b>	491,738.2	91.6%	<b>4.8%</b>	58,948.3	18.6%	<b>0.6%</b>
Short term provisions	-	-	-	-	-	-	-	-	-
Other short term debts	37,390.2	28.7%	<b>0.4%</b>	45,258.3	8.4%	<b>0.4%</b>	55,290.8	17.4%	<b>0.5%</b>
<b>Long term debts</b>	<b>1,403,038.7</b>	<b>0.0%</b>	<b>14.5%</b>	<b>1,423,024.5</b>	<b>0.0%</b>	<b>14.0%</b>	<b>1,398,494.3</b>	<b>0.0%</b>	<b>13.3%</b>
Long term loans	1,395,752.4	99.5%	<b>14.4%</b>	1,416,287.5	99.5%	<b>13.9%</b>	1,388,454.4	99.3%	<b>13.2%</b>
Other long term debts	7,186.3	0.5%	<b>0.1%</b>	6,637.0	0.5%	<b>0.1%</b>	5,566.4	0.4%	<b>0.1%</b>
Provisions	100.0	0.0%	<b>0.0%</b>	100.0	0.0%	<b>0.0%</b>	4,473.4	0.3%	<b>0.0%</b>
<b>Equity and reserves</b>	<b>8,153,064.6</b>		<b>84.2%</b>	<b>8,208,510.6</b>		<b>80.7%</b>	<b>8,779,445.3</b>		<b>83.7%</b>
<b>Total liabilities</b>	<b>9,686,470.7</b>			<b>10,168,531.6</b>			<b>10,494,950.8</b>		
Current liquidity ratio (Current assets / Current liabilities)	7.8			2.4			4.2		
Indebtedness level (Borrowed capital /Total liabilities)	14.4			13.9			13.2		

- **Total assets** recorded a value of RON 326,419.2 th (+3.2%) above the level recorded at the end of 2022, as a result of an increase in Current assets (+RON 40,126.8 th, +3,1%) and Fixed assets (+RON 286,292.4 th, +3.2%).
  - The increase in **Current assets** is mainly determined by a higher level of Cash and cash equivalent (+RON 295,801.3 th, +105.9%), corroborated with the decrease in the balance of Receivables (-RON 258,476.1 th, -29.4%);
  - The increase of **Fixed assets** is mainly determined by a higher level of Tangible assets (+RON 285,740.9 th, +3.2%), with major influences from buildings and land.
- The balance of the **Short-term liabilities** is decreasing by RON 219,985.3 th (-41%), especially at the level of Commercial debts (-RON 432,790 th, -88%), while Debts to banks amounting to RON 202,772.2 th are recorded (without balance in Q4 2022).
- **Capitals** registers an increase of RON 570,934.7 th (+7%).
- **Long-term liabilities** are decreasing at the end of the reporting period (-RON 24,530.2 th, -1.7%), given a lower balance of Debts to banks (-RON 27,833 th, -2%), corroborated with the increase in Provisions (+RON 4,373.4 th).
- **The current liquidity ratio** is 4.2 at the end of the first nine months of 2023, compared to 2.4 at the end of 2022, as a result of the decrease in Short-term liabilities (-41%), corroborated with the increase in Current assets (+3,1%).

# Local public debt service

at 30.09.2023

'000 RON



Debt and liquidity	30-09-23
New credit withdrawals in the period	17,153.7
Direct debt service	83,004.5
Direct indebtedness rate	8.9%
Public debt service	97,324.9
Public indebtedness rate	10.4%
Public Debt Service as % of Operational Revenues	7.7%
Public Debt Service as % of Operational Expenditures	15.1%
Long term debt % Own Funds	15.8%
Long term debt / Own Revenues (1.x)	1.3

Payout	30-09-23
Payout 2Y - 2 years	305,715.3
Payout 5Y - 5 years	862,792.8
Payout 10Y - 10 years	1,479,614.2
Payout 15Y - 15 years	1,805,654.5
Payout 20Y - 20 years	1,927,758.0
Total revenues per capita	3,848.4 RON
Own revenues per capita	2,763.2 RON
Public Debt Service per capita	244.6 RON
Long-term loans per capita	3,489.9 RON

	2022 <sup>1)</sup>	2023 <sup>2)</sup>	2024 <sup>2)</sup>	2025 <sup>2)</sup>	2026 <sup>2)</sup>
Total revenues	1,360,278.5	2,292,138.1	2,315,059.5	2,338,210.1	2,361,592.2
Own revenues <sup>3)</sup>	1,131,200.9	1,194,824.0	1,206,772.2	1,218,839.9	1,231,028.3
Indebtedness capacity	237,777.8	281,283.3	319,998.0	353,279.7	362,043.6
Public debt service <sup>4)</sup>	120,948.4	144,626.8	149,589.3	161,570.9	197,980.8

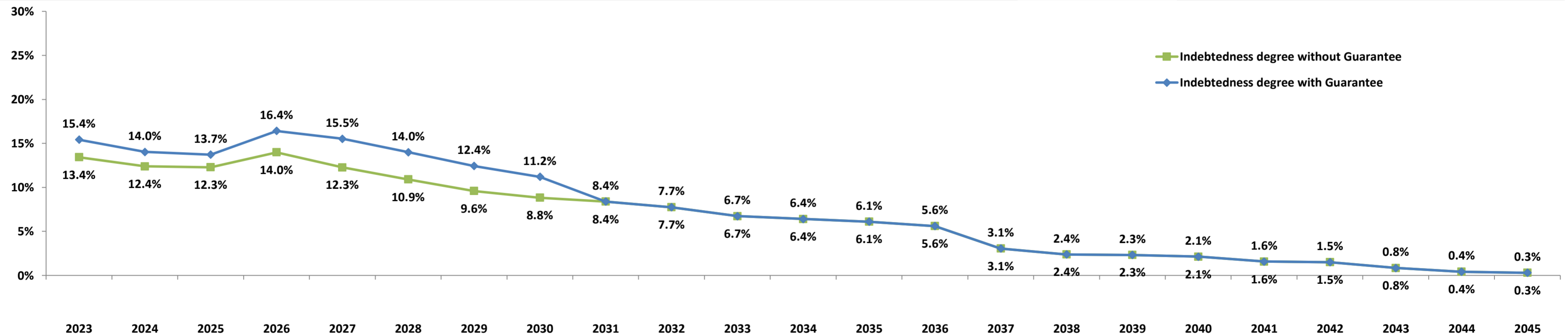
1) Revenues collected at 31.12.2022

2) 2023: Revised 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 2023 - 2026, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30 September 2023

## Indebtedness level forecast for the period of 2023 - 2045



### Note:

- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 30.09.2023, the estimated withdraws from the signed financing contracts and the growth rate of own revenues of 1%;
- According to the UGO nr. 46 on 05/23/2007, to complete art. 63 of the Law no. 273/2006 regarding the local public finances, "the loans contracted and/or guaranteed by the territorial-administrative units for providing the pre-financing and/or co-financing of the projects that benefit of the external non-reimbursable funds of pre and post-accession, from the European Union, are excepted from the paragraph (4) provisions" - respectively the framing in the maximum indebtedness limit;
- The maximum indebtedness limit represents 30% of the arithmetic mean of the own revenues for the last three years prior to current period.





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



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

The financial documents which were used in preparing this report are: execution accounts for 30.09.2023 and 30.09.2022, Initial budget for 2023 approved by LCD no. 16 from 02.02.2023 and for 2022 approved by LCD no. 17 from 10.02.2022, the Rectified budget approved by LCD no. 201 from 21.09.2023, together with the related investment lists and the one rectified by LCD no. 220 from 23.09.2022.

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