



## District 6 of the Bucharest Municipality



**Semestrial financial report**  
at 30.06.2021

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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 district within the Municipality of Bucharest. The main communities of the district are: Taberei Avenue, Militari, Giulesti and Crangasi.

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

Territorial administration and public utilities	Bucharest	B-IF Region
Land fund surface (2018)	240 km <sup>2</sup>	1,804 km <sup>2</sup>
Green areas surface in municipalities/cities (2019)	45 km <sup>2</sup>	48 km <sup>2</sup>
Length of city roads (2019)	3,399 km	4,357 km
Distribution simple network for drinking water (2019)	2,513 km	3,884 km
Simple length of sewer pipes (2019)	3,657 km	4,733 km
Total gas distribution network length (2019)	2,124 km	4,340 km
Distributed thermal energy (2019)	2,653,480 Gcal	2,662,470 Gcal

Population (01.01.2020)	District 6	Bucharest	B-IF Region
Total	396,988	2,151,665	2,603,692
Gender distribution			
female	212,772	1,145,343	1,377,936
male	184,216	1,006,322	1,225,756
Distribution by age categories			
0-19 years	67,236	376,018	475,022
20-44 years	149,130	801,684	982,079
45-59 years	79,001	442,278	533,267
60 years and above	101,621	531,685	613,324
Distribution by environment			
urban	396,988	2,151,665	2,358,299
rural	-	-	245,393

Workforce	Bucharest	B-IF Region
Work resources - people (2019)	1,246 th	1,576 th
Work resources occupancy rate (2019)	97.7%	90.4%
Number of employees - people (2019)	1,058 th	1,222 th
Unemployment rate (December 2020)	1.2%	1.2%

## National economy

Annual GDP, current prices	2017	RON 772,880 million
	2018	RON 855,421 million
(seasonally adjusted) CAEN Rev. 2	2019	RON 953,453 million
	2020	RON 957,424 million

Turnover of local units	Bucharest	B-IF Region
Total (2019, RON million), out of which:	485,022	588,009
Manufacturing industry	38,884	55,212
Constructions	32,680	39,340
Commerce	224,238	285,415
Energy production and supply	36,827	36,962
Real estate transactions	61,199	66,825
Information and communication	40,954	42,488
Transports and storage	22,392	29,708

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

## Infrastructure

### Current infrastructure

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

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

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

### Sustainable Urban Mobility Plan 2016 – 2030

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

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

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

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

Ratios 30.06.2021 (RON th)	PMB	District 1	District 2	District 3	District 4	District 5	District 6
<b>Total revenues, w/o sums used from previous surplus</b>	<b>2,034,921</b>	<b>731,462</b>	<b>627,943</b>	<b>570,767</b>	<b>449,951</b>	<b>312,887</b>	<b>545,909</b>
Own revenues, w/o sums used from previous surplus	1,947,541	638,571	540,532	512,122	366,442	294,158	453,389
Own revenues % TR	95.7%	87.3%	86.1%	89.7%	81.4%	94.0%	83.1%
Quotas and sums deducted from the income tax	1,876,423	319,641	283,363	308,329	211,505	195,219	264,842
Sums deducted from VAT	14,949	90,100	83,783	50,692	55,701	16,155	88,467
Subsidies	51,228	2,364	2,473	6,047	10,756	236	3,618
Sums received from EU	21,203	427	1,150	1,906	17,051	2,338	411
<b>Total expenditures</b>	<b>1,937,710</b>	<b>421,179</b>	<b>438,425</b>	<b>429,892</b>	<b>449,312</b>	<b>290,433</b>	<b>435,509</b>
Operational expenditures	1,523,210	374,833	365,583	271,452	273,883	242,382	344,830
Operational expenditures %	78.6%	89.0%	83.4%	63.1%	61.0%	83.5%	79.2%
Investment expenditures	239,252	3,957	49,292	60,924	131,396	18,400	40,732
Capital expenditures	147,184	3,441	15,526	41,093	96,571	16,957	39,932
Non - refundable external funds	66,723	516	957	21,575	34,825	1,443	800
Financial expenditures	175,247	42,390	23,551	97,517	44,033	29,651	49,947
<b>Result of the period, w/o sums used from previous surplus</b>	<b>97,211</b>	<b>310,283</b>	<b>189,518</b>	<b>140,875</b>	<b>639</b>	<b>22,454</b>	<b>110,400</b>
<b>Sums used from previous surplus</b>	<b>27,543</b>	<b>57,620</b>	<b>78,808</b>	-	<b>2,488</b>	-	-
Population (01.01.2020)	2,151,665	259,084	372,072	484,106	333,896	305,519	396,988

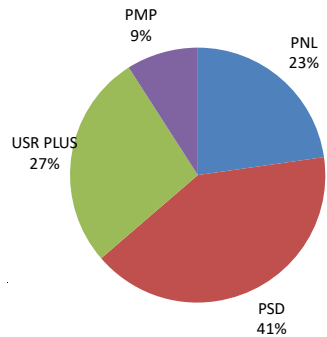
Source: <https://forexepublic.mfinante.gov.ro/web/transparenta-bugetara/rapoarte-entitati-publice/>;

# General overview

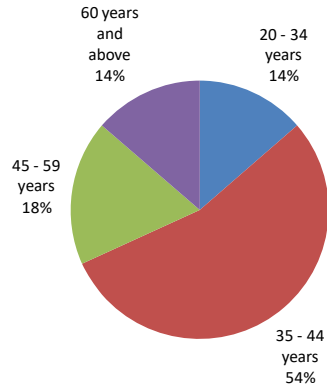
The Local Council of District 6 of the Municipality of Bucharest at 31.12.2020



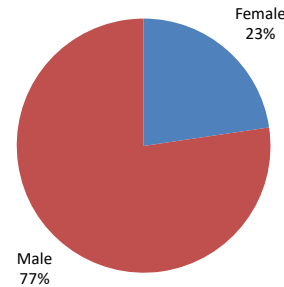
## Political structure



## Age distribution



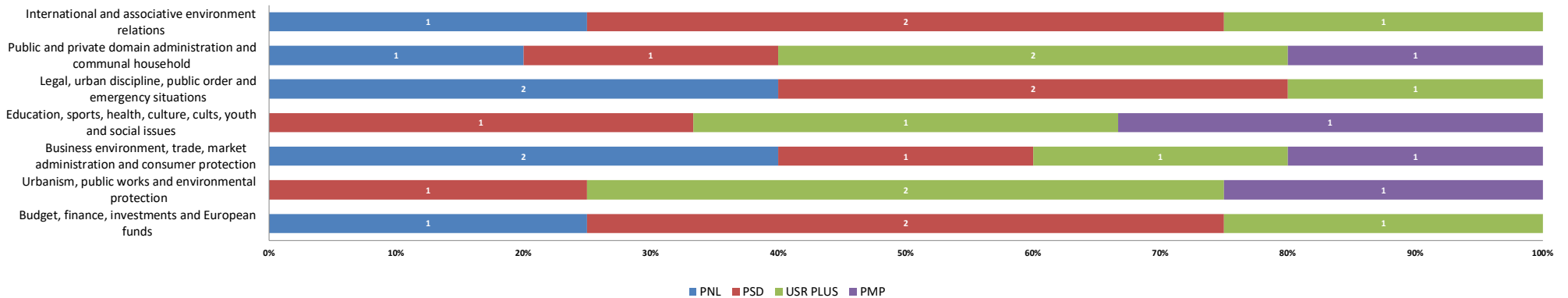
## Gender distribution



## Structure by political party, profession and age groups

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

## District 6 Local Council Commissions and their political structure



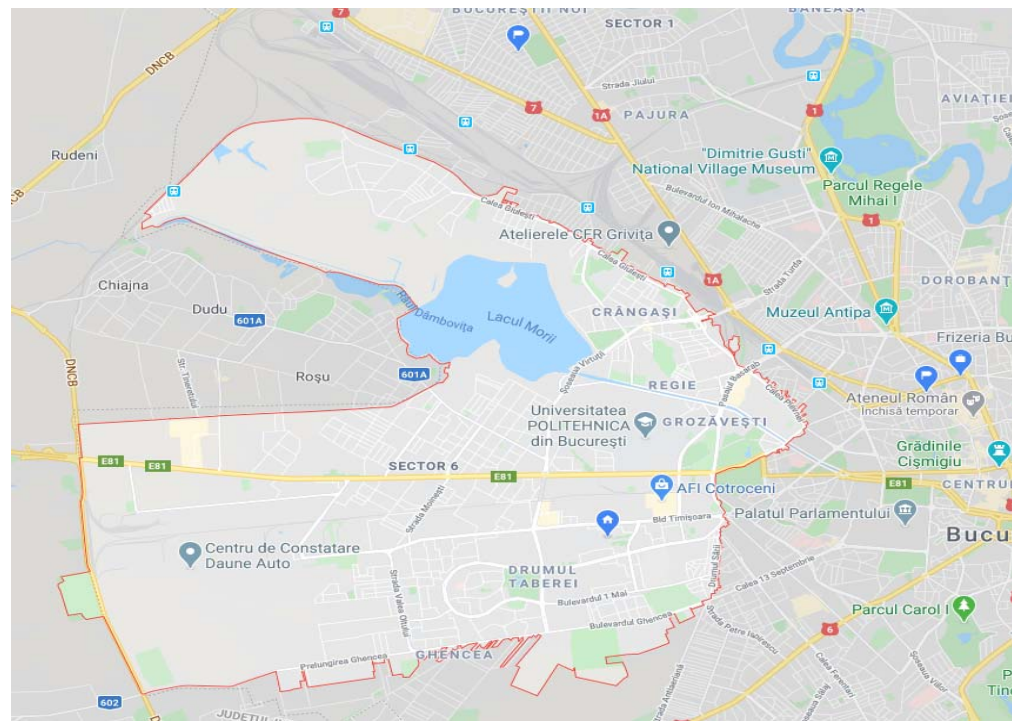
- The position of Mayor of District 6 of the Bucharest Municipality is occupied by Mr. Ciprian Ciucu, as a result of the local elections in September 2020. He is a representative of the National Liberal Party, being a journalist by profession and 43 years old.
- The position of Deputy Mayor is held by Mr. Gadiuta Alexandru Vasile, representative of the USR PLUS alliance, by profession geographer and 30 years and by Mrs. Stefan Mihaela-Ana-Maria, representative of the USR PLUS alliance, by profession shopping analyst and 34 years old.
- Mr. Spiridon Demirel is the Secretary of Sector 6 of Bucharest, a lawyer by profession and 53 years old.



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

## Geographic positioning in Bucharest Municipality

- **District 6 of the Bucharest Municipality (Specialized body within the Mayor's office)**
- **Market Administration District 6**
- **Public Domain Administration and Urban Development District 6**
- **General Directorate of Local Taxes and Duties District 6**
- **Schools Administration District 6**
- **Education units**
- **General Directorate of Social Assistance and Child Protection**
- **General Directorate of Local Police District 6**
- **Local Directorate of Population Evidence District 6**
- **European Cultural Center District 6**
- **Housing Fund Administration Directorate District 6**
- **Multifunctional Health Center "Sfantul Nectarie"**



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

## Cultural and social environment

### Commerce and utilities

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

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

### Culture, recreation and religion

The most important objectives and attractions in the District 6 are: the Cotroceni National Museum (since 1861), the Chiajna Monastery (since 1774), the Polytechnic Institute, the Pasteur Institute, the Botanical Institute and the National Aerospace Research Institute Emil Carafolli, as well as Masca Theater and Children Comic Opera.

The area benefits from many green spaces, the main parks being: Crangasi Park, Giulesti Park and Drumul Taberei Park (the largest park in the district, modernized and reopened in June 2015), as well as the Botanical Garden (with a surface of approximately 17.5 ha).

### **Environment protection**

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

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

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

LCD 82 from 08.05.2020 modified LCD 99 from 24.05.2018 regarding the approval of the Multiannual Local Investment Program for the urban regeneration of District 6 in the period 2018-2020, amounting to RON 185,000,000. The financing of the expenses related to the project is ensured from internal or external reimbursable funds contracted by ADPDU District 6, the budget of ADPDU District 6 and/or other legally constituted sources. Within this project, modernizations and landscaping are targeted.

### **Education**

LCD 7 from 30.01.2020 organized the state and private pre-university education units for the year 2020-2021 as follows: 27 state kindergartens and 23 private kindergartens, 25 state gymnasium schools and 5 private schools (primary and gymnasium cycle), 14 state high schools and 6 private high school education units (of which 3 post-secondary schools), 2 institutions within special education, 1 independent scholar sports club and 1 children's club.

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

LCD 122 from 30.07.2020 approved the project "Modernization of the Costin C. Kiritescu Economic College" was approved, amounting to RON 15,077,536.96 (including VAT), of which RON 2,318,645.92 from the local budget.

LCD 123 from 30.07.2020 approved the project "Modernization of the Constantin Paunescu Special Gymnasium School", amounting to RON 10,237,427.43 (including VAT), of which RON 5,217,900.24 from the local budget.

LCD 125 from 30.07.2020, approved the project "Modernization of the Petru Maior Technical College", amounting to RON 19,065,931.68 (including VAT), of which RON 3,406,125.86 from the local budget.

LCD 127 from 30.07.2020, approved the project "Modernization of the educational unit Sfantul Calinic Gymnasium School from Cernica (former Gymnasium School no. 164)", amounting to RON 13,870,517.91 (including VAT), of which RON 2,741,058.32 from the local budget.

LCD 129 from 30.07.2020 approved the development and financing amounting to RON 16,000,000 from the local budget, in the school year 2020-2021, of the project "School after school", carried out by the School Administration of District 6, targeting 7,000 students from pre-university education units in District 6, who will benefit from a hot meal.

### **Social assistance**

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

LCD no. 13 from 30.01.2020 approved the development and financing amounting to RON 415,380 in 2020 from the local budget of the project of local interest "Day center for children and parents" developed by the General Directorate of Social Assistance and Child Protection District 6, in partnership with the Metropolis Philanthropic Foundation. Through this project, families at risk will be offered services of: social counseling, legal counseling, information about rights and obligations, psychological counseling for children and families, education, occupational therapy, socialization and leisure, school guidance, preparing and serving food, providing a supplement for home.

LCD no. 15 from 30.01.2020 approved the development and financing amounting to RON 412,420 from the schools' 2020 budget of District 6 of the project "Sheltered housing for adults with mental problems", carried out by the General Directorate of Social Assistance and Child Protection District 6, in partnership with the Estuar Foundation. This project consists of three ordinary apartments that provide a living space for people with mental health problems who need a supportive environment with specialized assistance throughout the day by a team of specially trained workers.

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



### Bucharest (2020-2021)

#### Provisions through changes found in the level of allocations from the State Budget; Through annual law of the State Budget

##### For 2020:

##### **I. Quotas and amounts deducted from the income tax: (distribution 100%)**

1. Municipality of Bucharest: increase of the allocation percentage: **50%**
2. Districts of the Municipality of Bucharest: increase of the allocation percentage: **50%**

The allocation is made in 2 steps:

- a) allocation lei 1.000/capita/year
- b) The difference is distributed directly proportional with the estimated tax to be realized in each district range.

##### For 2021:

##### **I. Quotas and amounts deducted from the income tax: (distribution 100%)**

1. Municipality of Bucharest: increase of the allocation percentage: **50%**
2. Districts of the Municipality of Bucharest: increase of the allocation percentage: **50%**

The allocation is made in 2 steps:

- a) allocation lei 1.150/capita/year
- b) The difference is distributed directly proportional with the estimated tax to be realized in each district range.

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### Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q2 2021 vs. Q2 2020
- Revenue and expenditure structure



# Balance of revenues and expenditures at Q2 2021, as compared to Q2 2020

'000 RON



	Q2 2020	Q2 2021	%
<b>TOTAL REVENUES</b>	<b>529,772.9</b>	<b>545,909.2</b>	<b>▲ 3.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>449,619.2</b>	<b>435,509.2</b>	<b>▼ -3.1%</b>
<b>Operational Revenues</b>	<b>480,902.4</b>	<b>542,027.5</b>	<b>▲ 12.7%</b>
<b>Tax revenues</b>	<b>473,238.3</b>	<b>532,699.1</b>	<b>▲ 12.6%</b>
Own tax revenues	423,802.3	444,232.1	▲ 4.8%
Sums deducted from VAT	49,436.0	88,467.0	▲ 79.0%
<b>Non - tax revenues, out of which:</b>	<b>7,447.7</b>	<b>9,179.4</b>	<b>▲ 23.3%</b>
Non - tax own revenues	963.5	1,412.7	▲ 46.6%
Donations and sponsorships	-	24.6	-
<b>Current subsidies</b>	<b>216.4</b>	<b>149.0</b>	<b>▼ -31.2%</b>
<b>Operational Expenditures (OPEX), out of which:</b>	<b>346,192.8</b>	<b>344,830.3</b>	<b>▼ -0.4%</b>
Staff costs (PEREX)	89,749.9	90,642.5	▲ 1.0%
Goods and services*	173,888.2	172,678.5	▼ -0.7%
Current transfers	32,179.1	22,650.2	▼ -29.6%
Social assistance	34,526.6	33,497.1	▼ -3.0%
Subsidies	1,799.5	1,773.2	▼ -1.5%
Other expenditures	4,708.7	10,717.8	▲ 127.6%
<b>Operational Result</b>	<b>134,709.6</b>	<b>197,197.2</b>	
Operational Surplus (% from OPEX)	38.9%	57.2%	
Operational Deficit (% from Op. revenues)	-	-	
<b>Investment Revenue</b>	<b>3,887.3</b>	<b>3,881.8</b>	<b>▼ -0.1%</b>
Capital revenues	3.7	1.8	▼ -50.3%
Capital subsidies	3,590.2	3,469.0	▼ -3.4%
Sums received from the EU	293.5	411.0	▲ 40.1%
<b>Investment Expenditures (CAPEX), out of which:</b>	<b>56,493.0</b>	<b>40,731.7</b>	<b>▼ -27.9%</b>
Capital transfers	-	-	-
Projects with EU financing	1,212.8	800.0	▼ -34.0%
Capital expenditures	55,295.1	39,931.7	▼ -27.8%
<b>Result from the investment activity</b>	<b>- 52,605.7</b>	<b>- 36,850.0</b>	
<b>Financial Revenues</b>	<b>44,983.2</b>	<b>-</b>	<b>-</b>
Financial operations	44,983.2	-	-
<b>Financial Expenditures</b>	<b>46,933.4</b>	<b>49,947.2</b>	<b>▲ 6.4%</b>
Commissions related to loans	-	35.0	-
Interests	15,147.7	13,131.9	▼ -13.3%
Reimbursement of loans	31,785.7	36,780.3	▲ 15.7%
<b>Financial Result</b>	<b>- 1,950.2</b>	<b>- 49,947.2</b>	
<b>Result of the period</b>	<b>80,153.7</b>	<b>110,400.1</b>	<b>▲ 37.7%</b>
Surplus (% from Total Expenditures)	17.8%	25.3%	
Deficit (% from Total Revenues)	-	-	
<b>Result of the period (without previous year's surplus)</b>	<b>35,170.6</b>	<b>110,400.1</b>	<b>▲ 213.9%</b>
Own revenues/Operational revenues (%)	99.0%	83.6%	
OPEX/Own revenues (%)	72.7%	76.1%	
(OPEX-PEREX, from Education&Insurance and social assistance)/(O. Rev.-Quotas deducted from the income tax) (%)	60.0%	69.7%	

- At the end of the first six months of the current year, the **Operational result** registers a surplus amounting to RON 197,197.2 th, accounting for 57.2% of the Operational expenditures, going up by RON 62,487.6 th (+46.4%) in comparison to the surplus in the similar period of 2020. The evolution is determined by a significant increase of the Operational revenues (+RON 61.125 th RON, +12.7%). In contrast, the Operational expenditures are decreasing by RON 1,362.5 th (-0.4%).
- The **Result from the investment activity** at Q2 2021 records a deficit amounting to RON 36,850 th. The current year's deficit improves in comparison to the one at Q2 2020, mainly as a consequence of a lower level of Investment expenditures (-RON 15,776.2 th, -30%). At the same time, the Investment revenues maintain a similar level.
- The **Financial result** records a deficit amounting to RON 49,947.2 th resulting from the absence of sums used from the surplus of the previous years, corroborated with the increase in Financial expenditures by RON 3,013.8 th.
- The **Result of the period** (without amounts used from the previous surplus) is a positive in both periods. Therefore, taking into account the Operational result, the result of the period registers a surplus of RON 110.400,1 th.

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

# Revenues and expenditures balance at Q2 2021, as compared to Q2 2020

'000 RON



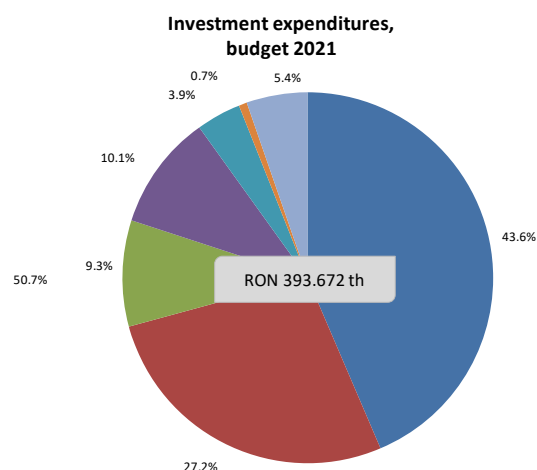
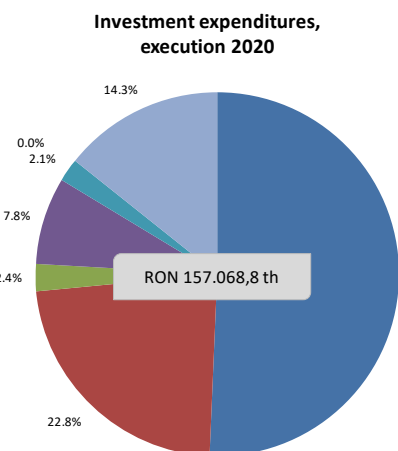
Payments performed at Q2 2021, as compared to Q2 2020 (Variation)

Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:					Financial Expenditures	Investment Expenditures	Investment expenditures (Budget 2021)
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance				
Public Authorities and external	3,996.3	4,384.4	-373.5	4,258.7	0.0	0.0	-388.2	36,419.0	
Other general public services	-60.3	-60.3	6.3	0.0	0.0	0.0	0.0	145.0	
Transactions regarding the public debt and loans	-2,015.8	0.0	0.0	0.0	0.0	-2,015.8	0.0	0.0	
General Transfers between different levels of administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Defense	-24.7	-24.7	0.0	-24.7	0.0	0.0	0.0	0.0	
Public order and national security	-3,864.2	-3,864.2	0.0	-3,311.4	0.0	0.0	0.0	35.0	
Education	2,802.8	9,155.0	-2,749.5	4,059.9	-1,359.0	0.0	-6,352.3	20,613.0	
Health	0.1	0.0	0.0	0.0	0.0	0.0	0.1	310.0	
Culture, recreation and religion	5,169.1	6,542.4	201.8	11,327.1	0.0	35.0	-1,408.3	39,635.0	
Insurance and social assistance	-8,966.9	-10,386.9	2,612.1	-13,298.6	329.6	0.0	1,420.0	15,265.0	
Housing, public services and development	-1,651.6	-2,721.7	1,163.7	198.7	0.0	4,994.6	-3,924.5	171,640.0	
Environment protection	4,293.0	4,293.0	0.0	4,293.0	0.0	0.0	0.0	2,667.0	
General economic, commercial and working actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Fuel and power	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Agriculture, Forestry, Fish breeding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Transport	-13,787.6	-8,679.5	31.8	-8,712.3	0.0	0.0	-5,108.1	106,943.0	
Other economic actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>TOTAL</b>	<b>-14,110.0</b>	<b>-1,362.5</b>	<b>892.7</b>	<b>-1,209.6</b>	<b>-1,029.4</b>	<b>3,013.8</b>	<b>-15,761.2</b>	<b>393,672.0</b>	

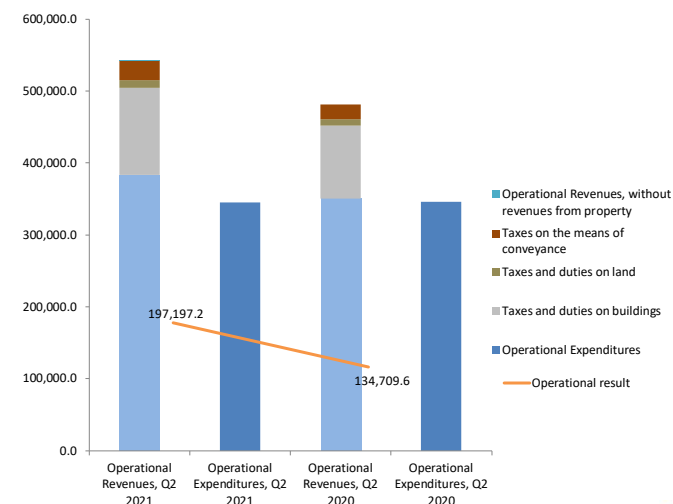
\*) Goods and services title, highlighted within the Operational Expenditures, does not include the expenditures on Commissions and other costs related to debts, being reflected at the level of the Financial Expenditures;

Distribution of the Investment expenditures in 2021 (according to the budget), as compared to the distribution of the execution in 2020

Structure of the Operational Result (Q2 2021 vs. Q2 2020)



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



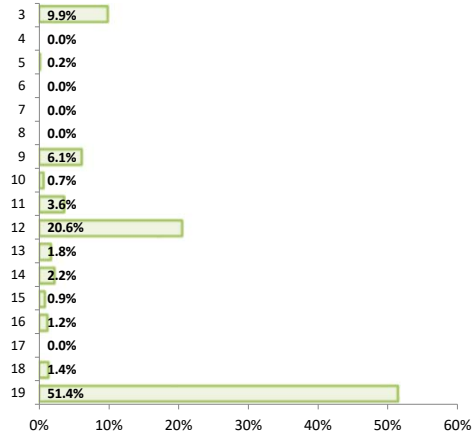
# Revenue and expenditure structure

at 30.06.2021

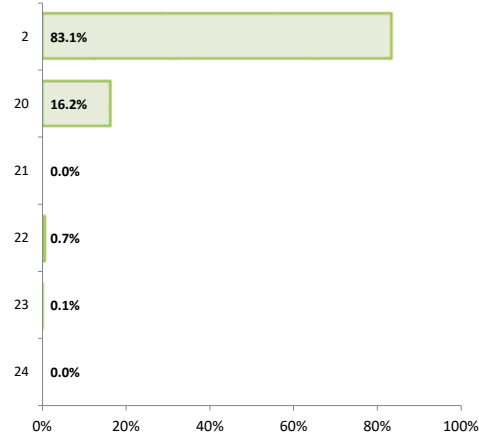
'000 RON



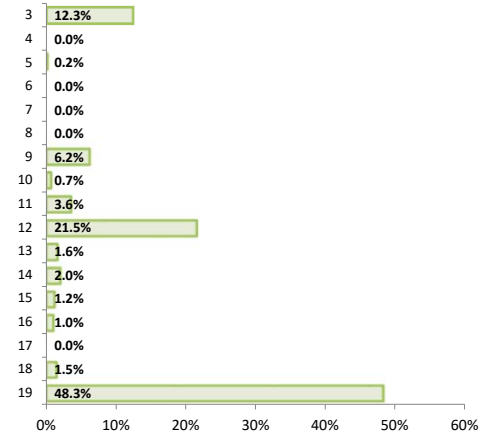
The structure of performed own revenues 453,388.8



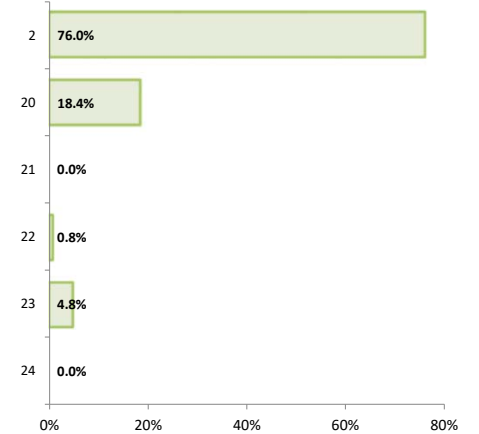
The structure of performed total revenues 545,909.2



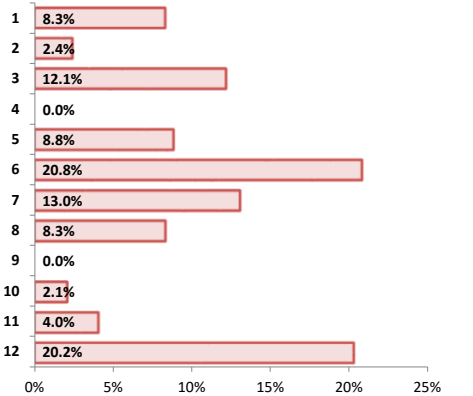
The structure of planned own revenues 365,455.4



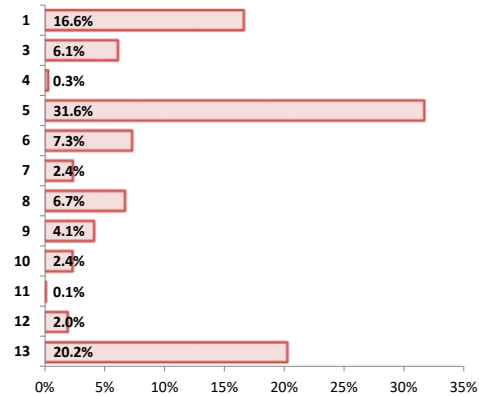
The structure of planned total revenues 481,124.4



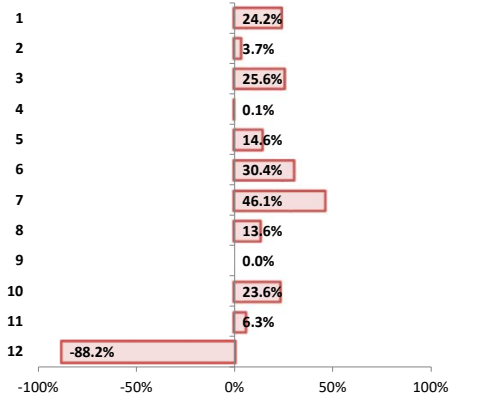
The structure of performed functional expenditures 545,909.2



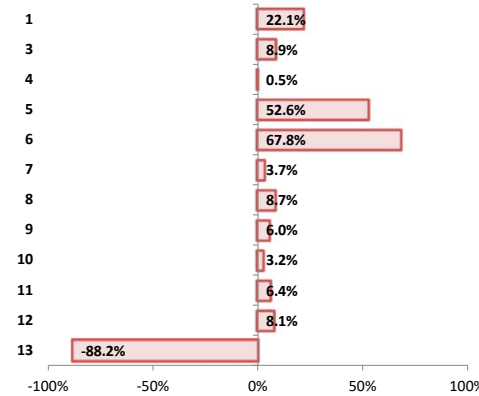
The structure performed economic expenditures 545,909.2



The structure of planned functional expenditures 481,124.4

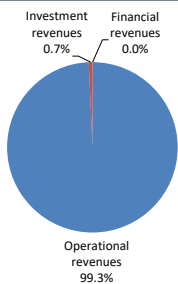


The structure of planned economic expenditures 481,124.4

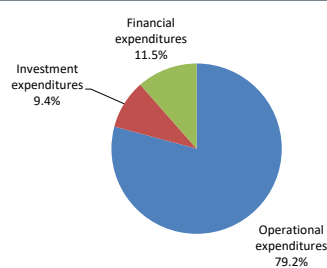


Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

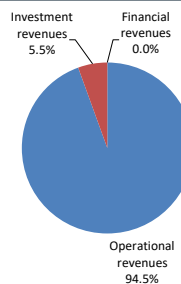
Collected revenues at Q2 2021



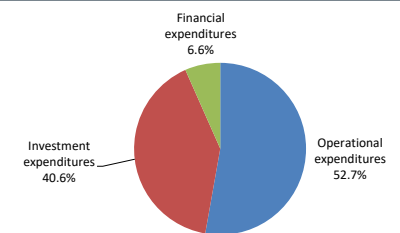
Performed expenditures at Q2 2021



Planned revenues at Q2 2021



Planned expenditures at Q2 2021



## Table of contents Section II



### Section II: Budgetary Revenues

- The situation of the revenues collected at 30.06.2021
- The variation of the performed revenues at Q2 2021 compared to Q2 2020
- Budgetary provisions: the achievement degree of the revenues at Q2 2021
- Revenues ratios

# The situation of the revenues collected

at 30.06.2021

'000 RON



		2021						2020							
Line	Revenues	Planned 2021	% /TRC	Planned at Q2	% /TRC	Execution at Q2	% /TRC	Planned 2020	% /TRC	Planned at Q2	% /TRC	Rectified at Q2	% /TRC	Execution at Q2	% /TRC
1	<b>Total revenues (TR)</b>	<b>1,249,668.2</b>		<b>481,124.4</b>		<b>545,909.2</b>		<b>1,039,915.0</b>		<b>554,360.0</b>		<b>602,450.0</b>		<b>529,772.9</b>	
2	<b>Own revenues, out of which:</b>	<b>791,751.2</b>	63.4	<b>365,455.4</b>	76.0	<b>453,388.8</b>	83.1	<b>835,267.0</b>	80.3	<b>438,123.0</b>	79.0	<b>439,643.0</b>	73.0	<b>476,236.9</b>	98.2
3	Quotas deducted from the income tax	44,785.5	3.6	44,785.5	9.3	44,785.5	8.2	-	-	-	-	-	-	-	-
4	Capital revenues	20.0	0.0	4.0	0.0	1.8	0.0	40.0	0.0	20.0	0.0	20.0	0.0	3.7	0.0
5	Revenues from concessions and rents	1,700.0	0.1	694.0	0.1	820.3	0.2	1,700.0	0.2	950.0	0.2	950.0	0.2	693.9	0.1
6	Payments from net profit of self-governing administration, national societies and	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tax on revenues from the transfer of real estate from the private patrimony	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Tax on buildings from the population	29,000.0	2.3	22,668.0	4.7	27,824.6	5.1	29,000.0	2.8	24,500.0	4.4	24,500.0	4.1	22,668.2	4.7
10	Tax on land from the population	4,100.0	0.3	2,604.0	0.5	3,228.0	0.6	4,100.0	0.4	3,100.0	0.6	3,100.0	0.5	2,603.9	0.5
11	Tax on the means of conveyance owned by the population	18,500.0	1.5	12,981.0	2.7	16,484.0	3.0	19,000.0	1.8	15,500.0	2.8	15,500.0	2.6	12,981.1	2.7
12	Tax on buildings from the legal entities	112,000.0	9.0	78,647.0	16.3	93,180.9	17.1	112,000.0	10.8	57,000.0	10.3	57,000.0	9.5	78,647.0	16.2
13	Tax on land from the legal entities	9,700.0	0.8	5,812.0	1.2	7,954.7	1.5	9,700.0	0.9	5,300.0	1.0	5,300.0	0.9	5,812.3	1.2
14	Tax on the means of conveyance owned by the legal entities	14,800.0	1.2	7,378.0	1.5	10,161.8	1.9	14,800.0	1.4	9,400.0	1.7	9,400.0	1.6	7,378.4	1.5
15	Fees and charges for the issuance of licences and functioning authorisations	10,700.0	0.9	4,355.0	0.9	4,042.3	0.7	10,200.0	1.0	3,800.0	0.7	3,800.0	0.6	4,355.3	0.9
16	Stamp duties, for notary work and other stamp	10,000.0	0.8	3,682.0	0.8	5,573.2	1.0	12,000.0	1.2	5,400.0	1.0	5,400.0	0.9	3,681.9	0.8
17	Extrajudicial stamp duties	25.0	0.0	6.0	0.0	10.4	0.0	25.0	0.0	11.0	0.0	11.0	0.0	5.7	0.0
18	Revenues from fines and other legal sanctions	15,000.0	1.2	5,436.0	1.1	6,225.0	1.1	20,000.0	1.9	9,500.0	1.7	9,500.0	1.6	5,436.4	1.1
19	Other own revenues	521,420.7	41.7	176,402.9	36.7	233,096.2	42.7	602,702.0	58.0	303,642.0	54.8	305,162.0	50.7	331,969.0	68.5
20	Sums deducted from the VAT	176,695.0	14.1	88,467.0	18.4	88,467.0	16.2	97,086.0	9.3	51,592.0	9.3	49,487.0	8.2	49,436.0	10.2
21	Donations and sponsorships	-	-	-	-	24.6	0.0	-	-	-	-	-	-	-	-
22	Subsidies received from the State Budget	17,978.0	1.4	4,028.0	0.8	3,617.9	0.7	104,226.0	10.0	63,899.0	11.5	36,354.0	6.0	3,806.6	0.8
23	Sums received from EU for the made payments	263,244.0	21.1	23,174.0	4.8	411.0	0.1	3,336.0	0.3	746.0	0.1	76,966.0	12.8	293.5	0.1
24	Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR	
<b>Operational revenues</b>		969,614.2	77.6	454,512.4	94.5	542,027.5	99.3	932,313.0	89.7	489,695.0	88.3	489,110.0	81.2	480,902.4	90.8
<b>Investment revenues</b>		280,054.0	22.4	26,612.0	5.5	3,881.8	0.71	107,602.0	10.3	64,665.0	11.7	113,340.0	18.8	3,887.3	0.73
<b>Financial revenues</b>		-	-	-	-	-	-	-	-	-	-	-	-	44,983.2	8.5
<b>Total revenues - operating section</b>		<b>884,025.2</b>	<b>70.7</b>	<b>411,718.4</b>	<b>85.6</b>	<b>500,386.7</b>	<b>91.7</b>	<b>772,508.0</b>	<b>74.3</b>	<b>409,973.0</b>	<b>74.0</b>	<b>466,306.0</b>	<b>77.4</b>	<b>449,747.0</b>	<b>84.9</b>
<b>Total revenues - development section, out of which:</b>		<b>365,643.0</b>	<b>29.3</b>	<b>69,406.0</b>	<b>14.4</b>	<b>45,522.5</b>	<b>8.3</b>	<b>267,407.0</b>	<b>25.7</b>	<b>144,387.0</b>	<b>26.0</b>	<b>136,144.0</b>	<b>22.6</b>	<b>80,025.9</b>	<b>15.1</b>
<b>Previous surplus</b>		-	-	-	-	-	-	-	-	-	-	-	-	<b>44,983.2</b>	<b>8.5</b>
<b>Total revenues collected (TRC* = TR - Previous surplus)</b>		<b>1,249,668.2</b>	<b>100.0</b>	<b>481,124.4</b>	<b>100.0</b>	<b>545,909.2</b>	<b>100.0</b>	<b>1,039,915.0</b>	<b>100.0</b>	<b>554,360.0</b>	<b>100.0</b>	<b>602,450.0</b>	<b>100.0</b>	<b>484,789.7</b>	<b>91.5</b>

\*) %TRC - Represents the weight of each line in Total Revenues Collected (without reserves);  
The budget was not rectified until the end of the second quarter of 2021;

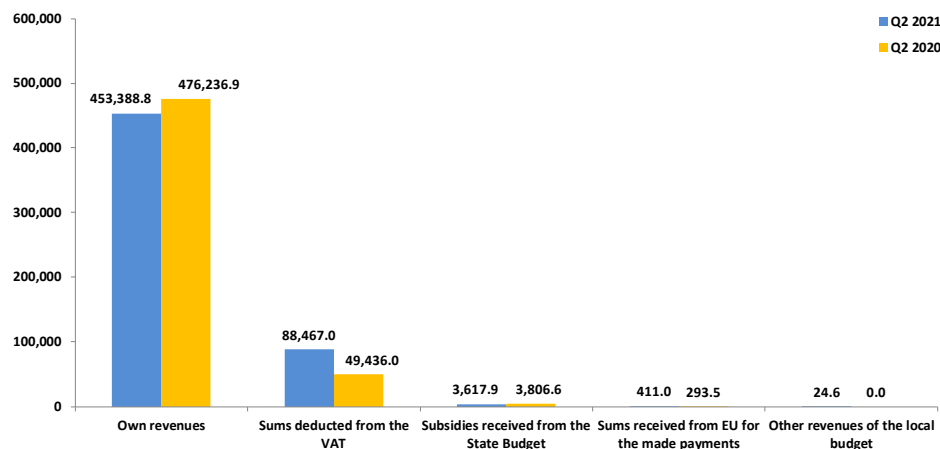
Revenues from the tax on property	2021	2020
9 + 12 Taxes and duties on buildings	188,100.0 15.1	130,090.0 27.0
10 + 13 Tax and duties on land	141,000.0 11.3	101,315.0 21.1
11 + 14 Taxes on the means of conveyance	13,800.0 1.1	8,416.0 1.7
	33,300.0 2.7	20,359.0 4.2

# The variation of the performed revenues at Q2 2021 compared to Q2 2020

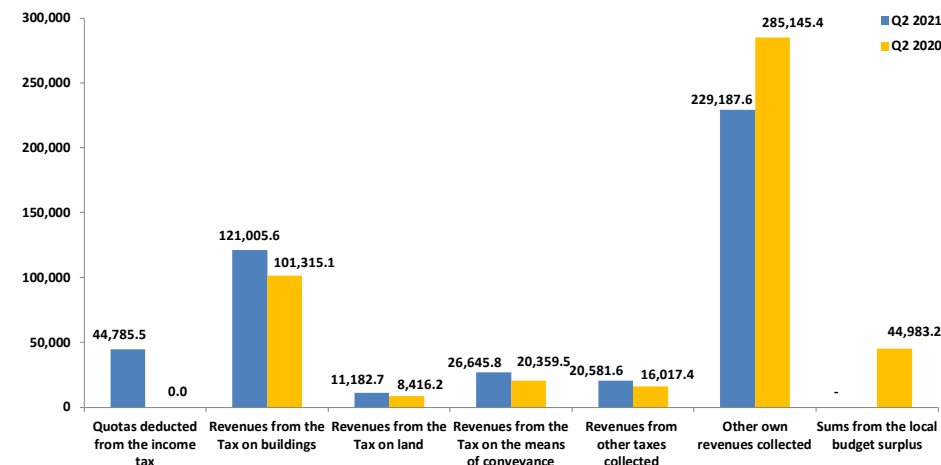
'000 RON



Total revenues



Own revenues



- The revenues collected to the local budget are increasing by 12.6%, respectively by RON 61,119.5 th, up to the level of RON 545,909.2 th. Taking into account the amounts used from the surplus of the local budget for financing of expenses in the previous year, the total revenues of the period increase by RON 16,136.3 th (+3%).
- The **Sums deducted from VAT** register an increase of 79% up to the value of RON 88,467 th. The increase comes from those amounts for financing the expenditures of districts (+RON 32,902 th., +82.1%) and of the private and confessional education (+RON 6,129 th, +65.6%).
- The **Sums received from the EU for the payments performed** increase by RON 117.5 th (+40.1%), mainly due to the amounts registered for the 2014-2020 financial framework, respectively for the European Social Fund (+RON 184.3 th, +130%).
- The **Own revenues**, with a weight of 83.1% in the total revenues during the reporting period, register a decrease of RON 22,848.1 th (-4.8%).
- The **Subsidies received from the State Budget** decrease by RON 188.7 th (-5%), the influences being observed mostly at the level of the capital ones, respectively due to the decrease of Financing for the National Program for Local Development (-RON 118.5 th, -3.3%). At the same time, it is observed the evolution of the Current subsidies, with influences entirely from Financing the rights of the disabled (-RON 67.4 th, -31.2%).

- The **Own revenues** reach the value of RON 453,388.8 th during the reporting period, and the most important influences that determine the decrease of this group are found at the level of the following income categories:
  - Other own revenues collected**, with a decrease of RON 55,957.8 th (-19.6%) and a major influence from a lower level of Sums allocated from the quotas deducted from income tax to balance the local budgets (-RON 57,658 th, -20.8%). State budget law no. 15/2021, art. 6 (2), by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent amendments and completions, stipulates a different allocation of the quotas from the income tax in 2021. Thus, the income tax estimated to be collected to the state budget, at the level of Bucharest Municipality, is distributed 50% to the local budget of the Bucharest Municipality and 50% to the local budget of districts (RON 1,150/inhabitant/year; the difference will be distributed directly proportional to the estimated income tax to be collected within each district). This derogation became applicable after the end of the first quarter of the year. At the same time, within this group, there is an increase in the amounts of Fines, penalties and confiscations (+ RON 804.9 th, +14.8%), Diverse revenues (+RON 444.1 th RON, +47.1%) and Revenues from services and other activities (+RON 326.6 th, +92.4%);
  - Sums from the local budget surplus used for financing the development expenditures**, without records in the current period, compared to the value of RON 44,983.2 th attained at Q2 2020;

## The variation of the performed revenues

at Q2 2021 compared to Q2 2020

'000 RON



### Own revenues

- **Quotas deducted from the income tax**, with a registered value of RON 44,785.5 th (without amounts at Q2 2020). These revenues were registered in the current year due to the delay in the approval of the State Budget Law for 2021, respectively on 09.03.2021;
- **Revenues from the tax on property**, by RON 28,743.2 th (+22.1%) above the level of the reference period of 2020, mostly due to the amounts collected from legal entities (+RON 19,459.8 th, +21.2%), those from the population registering a less accelerated increase (+RON 9,283.4 th, +24.3%). The significant increase of these taxes is determined by the level of the Taxes and duties on buildings (+RON 19,690.5 th);
- **Revenues from other taxes collected**, with a surplus of RON 4,564.2 th (+28.5%), determined by Other taxes and duties (+RON 3,187.8 th, +54.1%) and Stamp duties, for notary work and other stamp duties (+RON 1,891.2 th, +51.4%). At the same time, decreases are found for Fees and charges for the issuance of licences and authorisations of functioning (-RON 313.1 th, -7.2%) and the Tax on shows (-RON 208.5 th, -86.4%).

## Budgetary provisions

### Achievement degree of the revenues at Q2 2021

'000 RON



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

- The budget for 2021 was approved based on the Local Council's Decision no. 63 from 15.04.2021. Thus, until the approval of the budget, the institution performed monthly expenses without exceeding the limit of 1/12 of the provisions of the previous year's budgets, except for the duly justified special cases (based on the provisions of Law no. 273/2006). This budget was not rectified until the end of the second quarter.
- The total revenues collected to the local budget at the end of the reporting period are by RON 64,784.8 th above the level of budgetary provisions, with an achievement degree of 113.5%.
- The **Operational revenues** are above the estimated level in the budget by RON 87,515.1 th, with an achievement degree of 119.3%. The structure of the budgetary execution is influenced in the analysed interval by the following categories of revenues:
  - **Other own revenues**, higher by RON 56,693.3 th (+32.1%) than the budgetary estimates and influenced by the Sums allocated from the quotas deducted from income tax to balance the local budgets (+RON 52,924.5 th, +31.7%), Other taxes and duties (+RON 3,187.6 th, +54.1%), Revenues from services and other activities (+RON 326.2 th, +92.1%) and by the Tax on shows (-RON 208.3 th, -86.4%);
  - **Revenues from the tax on property**, being by RON 28,744.1 th above the estimated level, with a dynamic determined by the amounts collected from legal entities (+RON 19,460.4 th, +21.2%), respectively significant influences from Taxes and duties on buildings;
  - **Stamp duties, for notary work and other stamp duties**, registering a level by RON 1,891.2 th (+51.4%) above the provisions;
  - **Fines, penalties and confiscations**, increasing by RON 805.7 th (+ 14.8%);
  - **Current subsidies**, below estimates by RON 445 th (-74.9%), with influences entirely from Financing the rights of the disabled.
- The **Investment revenues** are below the estimated amount by RON 22,730.2 th, mostly due to the Sums received from the EU for the payments performed (below provisions by RON 20,810 th), respectively for the European Fund for Regional Development (provisions of RON 15,916 th and without recorded revenues) and for the European Social Fund (-RON 4,978.9 th, -93.9%). These amounts are related to the 2014-2020 financial framework.



## Revenues ratios at Q2 2021, as compared to Q2 2020

'000 RON



Ratios	Q2 2021	Q2 2020
<b>Revenues from the tax on property</b>	<b>158,834.1</b>	<b>130,090.9</b>
Revenues per Capita	400.1 RON	330.1 RON
The revenue weight in the total revenues	29.1%	24.6%
<b>Own tax revenues</b>	<b>444,232.1</b>	<b>423,802.3</b>
Revenues per Capita	1,119.0 RON	1,075.4 RON
The revenue weight in the total revenues	81.4%	80.0%
<b>Total current revenues (autonomous)</b>	<b>541,878.5</b>	<b>480,686.0</b>
Revenues per Capita	1,365.0 RON	1,219.7 RON
The revenue weight in the total revenues	99.3%	90.7%
<b>Operational revenues</b>	<b>542,027.5</b>	<b>480,902.4</b>
Revenues per Capita	1,365.3 RON	1,220.3 RON
The revenue weight in the total revenues	99.3%	90.8%
<b>Investment revenues</b>	<b>3,881.77</b>	<b>3,887.3</b>
Revenues per Capita	9.8 RON	9.9 RON
The revenue weight in the total revenues	0.71%	0.73%
<b>Total revenues per Capita</b>	<b>1,375.1 RON</b>	<b>1,344.3 RON</b>
<b>Own revenues per Capita</b>	<b>1,142.1 RON</b>	<b>1,208.4 RON</b>
<b>The level of financing from the own revenues</b>	<b>83.1%</b>	<b>89.9%</b>
<b>The degree of self-financing</b>	<b>74.8%</b>	<b>89.9%</b>
<b>The degree of dependency of the local budget to the state budget</b>	<b>57.2%</b>	<b>62.5%</b>
<b>The degree of decisional autonomy</b>	<b>83.1%</b>	<b>89.9%</b>
<b>The degree of achievement of the revenues from the initial budget</b>	<b>113.5%</b>	<b>95.6%</b>
<b>The degree of achievement of the revenues from the final budget</b>	<b>113.5%</b>	<b>87.9%</b>
<b>The degree of achievement of the own revenues from the initial budget</b>	<b>124.1%</b>	<b>108.7%</b>
<b>The degree of achievement of the own revenues from the final budget</b>	<b>124.1%</b>	<b>108.3%</b>
<b>The degree of achievement of the property taxes from the initial budget</b>	<b>122.1%</b>	<b>113.3%</b>
<b>The degree of achievement of the property taxes from the final budget</b>	<b>122.1%</b>	<b>113.3%</b>
<b>The annual estimate from the local tax revenues (maximum probability)</b>	<b>256,271.7</b>	<b>239,488.4</b>
<b>The annual estimate from the local tax revenues (rectified budget)</b>	<b>223,789.0</b>	<b>225,754.0</b>
<b>The degree of achievement of the annual revenues estimated from the local tax revenues</b>	<b>87.3%</b>	<b>94.3%</b>
<b>The collection degree from the initial budget of the revenues from:</b>		
Quotas deducted from the income tax	100.0%	-
Taxes on buildings from the population	122.7%	92.5%
Taxes on land from the population	124.0%	84.0%
Taxes on the means of conveyance from the population	127.0%	83.7%
Taxes on buildings from legal entities	118.5%	138.0%
Taxes on land from legal entities	136.9%	109.7%
Taxes on the means of conveyance from legal entities	137.7%	78.5%
Capita, as of:	<b>396,988</b> 01.01.2020	<b>394,097</b> 01.01.2019

- The **Revenues from the tax on property** are increasing by RON 28,743.2 th (+22.1%), due to the amounts collected from Taxes and duties on buildings (+RON 19,690.5 th, +19.4%), on the means of conveyance (+RON 6,286.3 th, +30.9%) and on land (+RON 2,766.4 th, +32.9%).
- The **Own tax revenues** are higher by RON 20,429.8 th (+4.8%) mainly as a result of:
  - Quotas deducted from the income tax, with a registered value of RON 44,785.5 th (without amounts at Q2 2020). These revenues were registered in the current year due to the delay in the approval of the State Budget Law for 2021, respectively on 09.03.2021;
  - The increase of the Revenues from the tax on property;
  - An increase in Revenues from other taxes collected by RON 4,564.2 th (+28.5%), determined by Other taxes and duties (+RON 3,187.8 th, +54.1%) and Stamp duties, for notary work and other stamp duties (+RON 1,891.2 th, +51.4%). At the same time, decreases are found for Fees and charges for the issuance of licences and authorisations of functioning (-RON 313.1 th, -7.2%) and the Tax on shows (-RON 208.5 th, -86.4%);
  - The decrease of Sums allocated from the quotas deducted from income tax to balance the local budgets (-RON 57,658 th, -20.8%). State budget law no. 15/2021, art. 6 (2), by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent amendments and completions, stipulates a different allocation of the quotas from the income tax in 2021. Thus, the income tax estimated to be collected to the state budget, at the level of Bucharest Municipality, is distributed 50% to the local budget of the Bucharest Municipality and 50% to the local budget of districts (RON 1,150/inhabitant/year; the difference will be distributed directly proportional to the estimated income tax to be collected within each district). This derogation became applicable after the end of the first quarter of the year.
- The **Total current (autonomous) revenues** register an increase by RON 61,192.5 th (+12.7%), as a result of:
  - Fiscal revenues, increasing by RON 59,460.8 th (+12.6%), with influences from the Sums deducted from VAT (+RON 39,031 th, +79%) and Own tax revenues;
  - Non-tax revenues, higher by RON 1,731.7 th (+23.3%), mainly due to the amounts from the Sales of goods and services (+RON 1,605.3 th, +23.8%).
- The **Operational revenues** collected in the analysed interval are going up by RON 61,125 th (+12.7%), the evolution being determined by the increase of the Current revenues (+RON 61,692.5 th, +12.7%) and the decrease of the Current subsidies (-RON 67.4 th, -31.2%).
- The **Investment revenues** register a value lower by RON 5.5 th (-0.1%). These amounts are related to Capital subsidies (-RON 121.3 th, -3.4%), Other amounts received from the EU (without revenues, compared to RON 38.6 th at Q2 2020) and Sums received from the EU for the payments performed (+RON 156.2 th, +61.3%).

## Table of contents Section III



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

- The situation of the expenditures performed at 30.06.2021
- The variation of the performed expenditures at Q2 2021 vs. Q2 2020
- Budgetary provisions: the achievement degree of the expenditures at Q2 2021

# The situation of the expenditures performed at 30.06.2021

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		2021				2020									
Line	Expenditures	Planned 2021	% /TP	Planned at Q2	% /TP	Execution at Q2	% /TP	Planned 2020	% /TP	Planned at Q2	% /TP	Rectified at Q2	% /TP	Execution at Q2	% /TP
<b>Functional classification</b>		<b>1,249,668.2</b>		<b>481,124.4</b>		<b>545,909.2</b>		<b>1,039,915.0</b>		<b>554,360.0</b>		<b>602,450.0</b>		<b>529,772.9</b>	
1	Public authorities and external actions	146,241.0	11.4	116,493.0	12.9	45,137.1	10.4	105,586.0	9.7	79,224.0	10.7	88,229.0	10.5	41,140.8	9.2
2	Transactions regarding the public debt (interest and fees)	31,065.0	2.4	17,928.0	2.0	13,131.9	3.0	31,870.0	2.9	16,277.0	2.2	16,392.0	2.0	15,147.7	3.4
3	Education	139,696.0	10.9	123,178.0	13.6	66,191.6	15.2	133,906.0	12.3	109,432.0	14.7	125,320.0	15.0	63,388.8	14.1
4	Health	310.0	0.0	310.0	0.0	0.1	0.0	-	-	-	-	-	-	-	-
5	Culture, recreation and religion	142,933.0	11.2	70,291.0	7.8	48,014.4	11.0	97,631.0	9.0	70,102.0	9.4	78,917.0	9.4	42,845.3	9.5
6	Insurance and social assistance	248,588.0	19.5	146,414.0	16.2	113,353.4	26.0	221,623.0	20.4	146,645.0	19.7	181,350.0	21.7	122,320.3	27.2
7	Housing, public service and development	268,890.0	21.0	221,569.0	24.5	71,001.1	16.3	275,044.0	25.4	176,958.0	23.8	176,606.0	21.1	72,652.7	16.2
8	Environment protection	105,667.0	8.3	65,667.0	7.3	45,286.8	10.4	82,160.0	7.6	42,555.0	5.7	47,555.0	5.7	40,993.8	9.1
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	134,463.0	10.5	113,469.0	12.5	11,305.1	2.6	85,006.0	7.8	71,978.0	9.7	85,048.0	10.2	25,092.7	5.6
11	Other expenditures	59,844.0	4.7	30,230.0	3.3	22,087.7	5.1	52,072.0	4.8	30,014.0	4.0	37,040.0	4.4	26,037.0	5.8
12	Reserves, Surplus / Deficit	- 28,028.8		- 424,424.6		110,400.1		- 44,983.0		- 188,825.0		- 234,007.0		80,153.7	
<b>Economic classification</b>		<b>1,249,668.2</b>		<b>481,124.4</b>		<b>545,909.2</b>		<b>1,039,915.0</b>		<b>554,360.0</b>		<b>602,450.0</b>		<b>529,772.9</b>	
1	Staff costs, of which:	188,338.0	14.7	106,504.0	11.8	90,642.5	20.8	198,370.0	18.3	114,755.0	15.4	113,689.0	13.6	89,749.9	20.0
	without those for Education and Insurance and social assistance	66,120.0	5.2	35,629.0	3.9	30,444.4	7.0	67,247.0	6.2	38,701.0	5.2	38,186.0	4.6	29,414.3	6.5
2	Social assistance	76,106.0	6.0	42,741.0	4.7	33,497.1	7.7	59,343.0	5.5	40,783.0	5.5	41,669.0	5.0	34,526.6	7.7
3	Subsidies	4,500.0	0.4	2,500.0	0.3	1,773.2	0.4	5,000.0	0.5	4,000.0	0.5	4,000.0	0.5	1,799.5	0.4
4	Goods and services	383,192.0	30.0	252,929.0	27.9	172,713.5	39.7	302,302.0	27.9	218,064.0	29.3	285,647.0	34.1	173,888.2	38.7
5	Capital expenditures	347,640.0	27.2	326,388.0	36.0	39,931.7	9.2	304,992.0	28.1	241,890.0	32.5	267,369.0	32.0	55,295.1	12.3
6	Interest	31,065.0	2.4	17,928.0	2.0	13,131.9	3.0	31,870.0	2.9	16,277.0	2.2	16,392.0	2.0	15,147.7	3.4
7	Loan reimbursements	83,600.0	6.5	42,000.0	4.6	36,780.3	8.4	63,550.0	5.9	32,010.0	4.3	32,265.0	3.9	31,785.7	7.1
8	Current transfers	54,303.0	4.3	28,916.0	3.2	22,650.2	5.2	64,753.0	6.0	37,658.0	5.1	38,734.0	4.6	32,179.1	7.2
9	Internal transfers	25,789.0	2.0	15,473.0	1.7	12,870.9	3.0	23,000.0	2.1	11,500.0	1.5	9,344.0	1.1	9,341.0	2.1
10	Projects financed from non-reimbursable external funds	35,452.0	2.8	30,998.0	3.4	800.0	0.2	7,398.0	0.7	4,688.0	0.6	4,688.0	0.6	1,212.8	0.3
11	Other expenditures	47,712.0	3.7	39,172.0	4.3	10,717.8	2.5	24,320.0	2.2	21,560.0	2.9	22,660.0	2.7	4,693.8	1.0
12	Reserves, Surplus / Deficit	- 28,028.8		- 424,424.6		110,400.1		- 44,983.0		- 188,825.0		- 234,007.0		80,153.7	
<b>Total payments (TP)</b> <i>(total expenditures performed without considering the periods' result)</i>		<b>1,277,697.0</b>		<b>905,549.0</b>		<b>435,509.2</b>		<b>1,084,898.0</b>		<b>743,185.0</b>		<b>836,457.0</b>		<b>449,619.2</b>	
<b>Operational expenditures</b>		769,325.0	60.2	477,632.0	52.7	344,830.3	79.2	677,088.0	62.4	448,320.0	60.3	515,743.0	61.7	346,192.8	77.0
<b>Investment expenditures</b>		393,672.0	30.8	367,954.0	40.6	40,731.7	9.4	312,390.0	28.8	246,578.0	33.2	272,057.0	32.5	56,493.0	12.6
<b>Financial expenditures</b>		114,700.0	9.0	59,963.0	6.6	49,947.2	11.5	95,420.0	8.8	48,287.0	6.5	48,657.0	5.8	46,933.4	10.4
<b>Total of the Operating Section</b>		<b>884,025.0</b>	<b>69.2</b>	<b>537,595.0</b>	<b>59.4</b>	<b>394,777.5</b>	<b>90.6</b>	<b>772,508.0</b>	<b>71.2</b>	<b>496,607.0</b>	<b>66.8</b>	<b>564,400.0</b>	<b>67.5</b>	<b>393,126.2</b>	<b>87.4</b>
Reserves, surplus/deficit for the operating section		0.2		- 125,876.6		105,609.3		-		- 86,634.0		- 98,094.0		56,620.8	
<b>Total of the Development Section</b>		<b>393,672.0</b>	<b>30.8</b>	<b>367,954.0</b>	<b>40.6</b>	<b>40,731.7</b>	<b>9.4</b>	<b>312,390.0</b>	<b>28.8</b>	<b>246,578.0</b>	<b>33.2</b>	<b>272,057.0</b>	<b>32.5</b>	<b>56,493.0</b>	<b>12.6</b>
Reserves, surplus/deficit for the development section		- 28,029.0		- 298,548.0		4,790.8		- 44,983.0		- 102,191.0		- 135,913.0		23,532.9	

The budget was not rectified until the end of the second quarter of 2021;

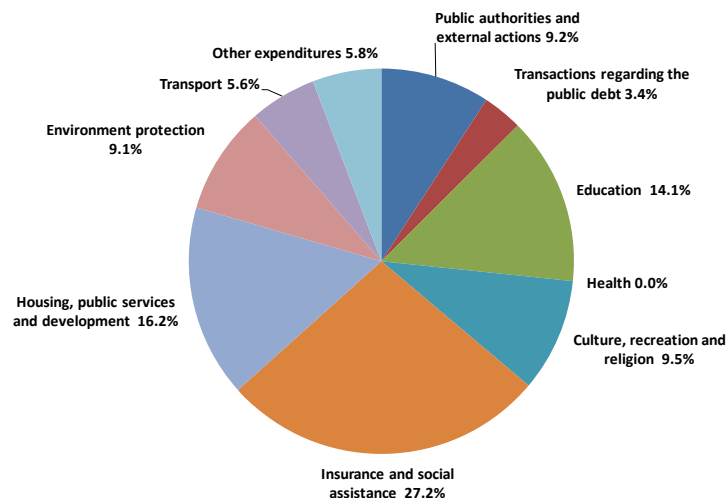
# The variation of the performed expenditures at Q2 2021 vs. Q2 2020

Functional classification

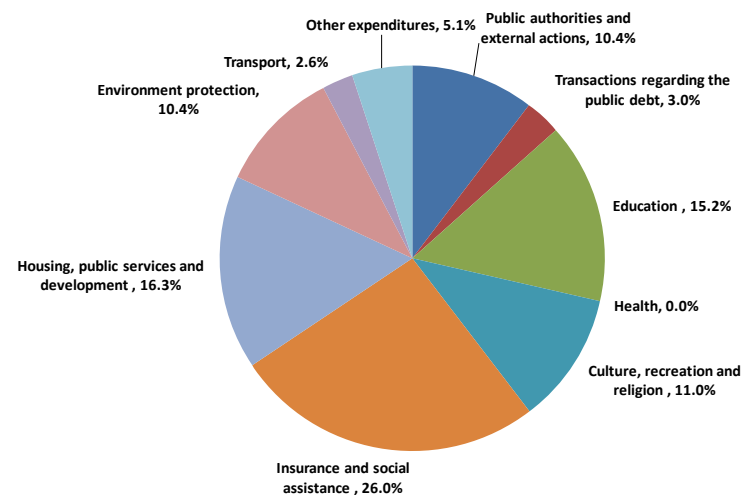
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The structure of the payments performed at Q2 2020



The structure of the payments performed at Q2 2021



- The level of payments performed decreased by RON 14,110.3 th (-3.1%) below the budgetary execution of the reference period of the previous year.
- A significant decrease of payments is observed in the **Transports** chapter, respectively by RON 13,787.6 th (-54.9%), entirely at the level of the Streets paragraph.
- The second decrease in volume is registered at the level of the **Insurance and social assistance** chapter, respectively by RON 8,966.9 th (-7.3%), the influences coming mostly from the Social assistance for family and children (-RON 3,860.2 th, -22.5%), Other expenditures in the insurance and social assistance field (-RON 3,479.2 th, -9%), Assistance for the elderly (-RON 3,075 th, -22.5%), Nurseries (-RON 433.3 th RON, -3.7%), Social assistance for the disabled (+RON 1,183.8 th, +2.9%) and Units for medical and social assistance (+RON 795.6 th, +19.5%).
- The **Other expenditures** group of chapters registers a decrease by RON 3,949.3 th (-15.2%), mainly determined at the level of the Public order and national security chapter (-RON 3,864.2 th, -17.2%), respectively Civil protection and fire protection and Local police.
- Within the **Transactions regarding the public debt** chapter are registered decreasing payments by RON 2,015.8 th (-13.3%). The main influences on this chapter come from the evolution of interest rates that bring, as the case may be, increases or decreases in financing costs.
- The **Housing, public services and development** chapter records a decrease in payments by RON 1,651.8 th (-2.3%) compared to the previous reference period, determined mainly by a lower level of expenditures on the Houses paragraph (-RON 3,507.2 th, -11.4%) and an increase of Other services for housing, public services and community development (+RON 1,855.4 th, +4.4%).
- Within the **Culture, recreation and religion** chapter, the expenditures are going up by RON 5,169.1 th (+12.1%). The decrease in payments is mainly determined by the evolutions of the Maintenance of public gardens, parks, green areas, sports and leisure centres (+RON 10,194.4 th, +28%) and Other services in the field of culture, recreation and religion (-RON 4,825.3 th, -85.1%) paragraphs.
- The **Environment protection** chapter registers an increase in payments by RON 4,293 th (+10.5%), the dynamics being determined by lower expenditures on Sanitation.
- The payments related to the **Public authorities and external actions** chapter register an increase by RON 3,996.3 th (+9.7%) compared to the previous reference period.
- Another increase of payments is observed in the **Education** chapter, respectively by RON 2,802.8 th (+4.4%). The influences come mainly from the Secondary education (+RON 9,664.8 th, +53.9%), Other expenditures for education (+RON 3,529.9 th, +37.8%) and Pre-school and elementary education (-RON 4,175.2 th, -14.8%).



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

- The payments performed during the first semester are in the amount of RON 435,509.2 th, respectively by RON 470,039.8 th below the level of the budgetary provisions (recording an achievement degree of 48.1%).
- At the level of the **Housing, services and public development** chapter, the payments are below estimates by RON 150,567.9 th, respectively registering an achievement degree of 32% determined by lower values for Houses (-RON 142,140 th, -83.9%) and for Other services for housing, public services and community development (-RON 7,454 th, -14.6%). At the same time, it is observed the absence of payments for Water supply (estimates amounting to RON 973.9 th).
  - Within this chapter, according to the list of investments that accompanies the initial budget, the works related to 2021 are worth RON 309,640 th, respectively RON 171,340 th from the local budget, RON 300 th from non-reimbursable external funds and RON 138,000 th from external loans. The main objective financed in this chapter refers to the thermal rehabilitation of residential buildings in order to increase energy efficiency. To these works are added expenses related to studies/projects.
- For the **Transports** chapter, the recorded expenditures are below provisions by RON 102,163.9 th, registering an achievement degree of 10% entirely determined by the payments for Streets.
  - In what regards this chapter, the investments list related to the initial budget provides objectives amounting to RON 107,343 th, fully financed from the local budget. Specifically, the list of investments aims at works to improve the infrastructure at the level of streets and parking lots, including studies and projects.
- The expenditures incurred within the **Public authorities and external actions** chapter are below the budgetary provisions by RON 71,355.9 th, with an achievement degree of 38.7%.
  - The investment list related to the initial budget provides for investments amounting to RON 34,701 th at the level of the year, respectively RON 15,813 th from the local budget and RON 18,888 th from non-reimbursable external funds.
- At the level of the **Education** chapter, the payments are below estimates by RON 56,986.4 th, respectively recording an achievement degree of 53.7% determined by lower amounts executed for Pre-school and elementary education (-RON 24,461.9 th, -50.4%), Secondary education (-RON 23,718.6 th, 46.2%), Special education (-RON 3,804 th, -73.6%) and Other expenditures for education (-RON 2,602.1 th, -16.8%).
  - According to the investments list related to the initial budget, the planned investments are worth RON 214,823 th, respectively RON 17,225 th from the local budget, RON 18,156 th from non-reimbursable external funds, RON 3,147 th from internal loans and RON 176,295 th from external loans. The main objectives include school constructions, design works, studies/expertise and independent endowments.
- At the level of the **Insurance and social assistance** chapter, the payments are below the budget by RON 33,060.6 th, registering an achievement degree of 77.4% determined by lower values for Nurseries (-RON 9,287.2 th, -45%), Social assistance for the disabled (-RON 6,457.8 th, -13.2%), Other expenditures in the insurance and social assistance field (-RON 5,893.5 th, -14.4%), Social assistance for family and children (-RON 5,348 th, -28.7%), Assistance for the elderly (-RON 5,161.1 th, -50.8%) and for Social support (-RON 759.4 th, -38%).
  - The investments list related to the initial budget estimates works amounting to RON 13,413 th, respectively RON 3,707 th from the local budget and RON 9,706 th from non-reimbursable external funds, which aim at social objectives (nurseries and social programs), studies and independent endowments.
- For the **Culture, recreation and religion** chapter, the expenditures incurred are below estimates by RON 22,276.6 th, with an achievement degree of 68.3% determined by the payments for Maintenance of public gardens, parks, green areas, sports and leisure centres (-RON 20,979.3 th, -31.1%) and Other services in the field of culture, recreation and religion (-RON 1,297.3 th, -60.5%).
  - For the chapter above, the list investments list related to the initial budget for 2021 provides for investments in the total amount of RON 79,846 th, respectively RON 39,235 th from the local budget and RON 40,611 th from internal loans. The investments are oriented towards infrastructure works, modernization of cultural objectives, studies and independent endowments.
- Within the **Environment protection** chapter, the recorded payments are below the estimated amount by RON 20,380.2 th, respectively with an achievement degree of 69% determined by a lower level of expenditures on Sanitation (-RON 17,713.2 th, -28.1%) and by the absence of payments for Collection, treatment and destruction of waste (estimates of RON 2,000 th) and Sewerage and wastewater treatment (provisions of RON 667 th).
  - Within this chapter, the investments list for 2021 provides for investments amounting to RON 2,667 th, fully financed from the local budget. The main objectives refer to the elaboration of studies and projects in order to the implementation of points/stations of waste collection.
- The **Other expenditures** group registers an execution below estimates by RON 8,142.3 th, respectively an achievement degree of 73.1% determined by the evolution of the Public order and national security (-RON 4,168.8 th, -18.3%; mainly Local police) and Other general public services (-RON 3,885.2 th, -53.5%) chapters.
- Within the **Transactions regarding the public debt** chapter, the payments are below provisions by RON 4,796.1 th, with an achievement degree of 73.2%.



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

- The variation of the performed expenditures at Q2 2021 vs. Q2 2020
- Budgetary provisions: the achievement degree of the expenditures at Q2 2021
- Expenditures ratios

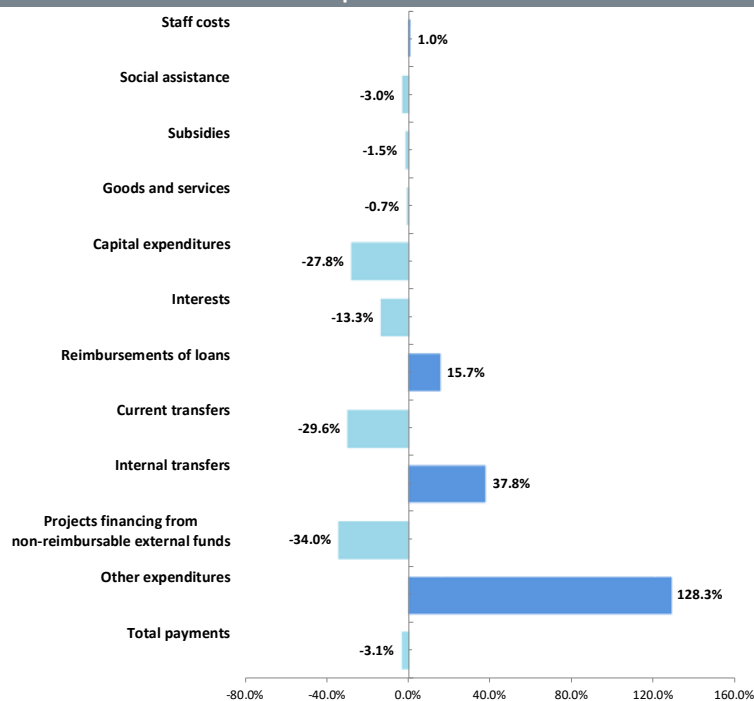
# The variation of the performed expenditures at Q2 2021 vs. Q2 2020

Economic classification

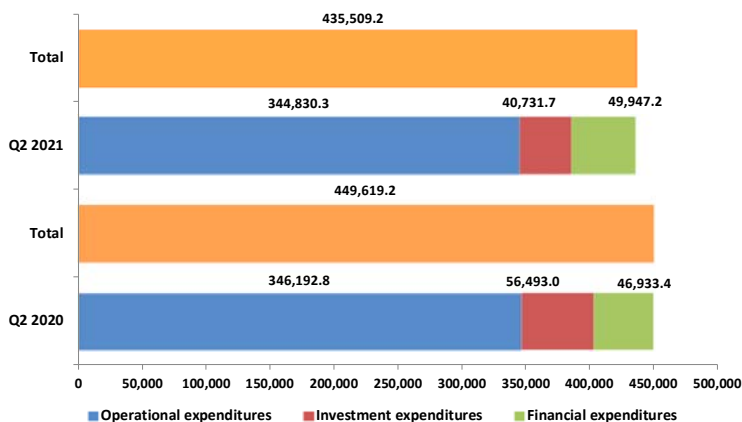
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## Economic expenditures variation



## Structure of expenditures



- The **Investment expenditures** are going down by RON 15,761.2 th (-27.9%) in comparison to the execution of the previous reference period. As such, the variation is mainly represented by:
  - Capital expenditures** (-RON 15,363.4 th, -27.8%), with influences mainly from the amounts registered for Constructions (-RON 15,911.2 th, -29.4%) and Other fixed assets (-RON 1,545.4 th, -49.2%);
  - Projects financing from non-refundable external funds** (-RON 412.8 th, -34%), with influences mainly from the amounts registered for the Programs from the European Fund for Regional Development (-RON 411 th, -88.7%) related to the 2014-2020 financial framework.
- The **Operational expenditures** register a level by RON 1,362.5 th (-0.4%) below the one from the similar period of the previous year, as a result of:
  - A decrease in **Current transfers** by RON 9,528.9 th (-29.6%), entirely determined by the evolution of those to public institutions;
  - A lower level of payments for **Goods and services** (without Commissions and other costs for debts) by RON 1,209.6 th (-0.7%). The evolution is highlighted mainly at the level of payments for Current repairs (-RON 4,388.9 th, -15.1%), Registered materials (+RON 2,676.1 th, +62%), Cleaning materials (+RON 706.8 th, +32.6%), Materials and services with functional character (+RON 556.8 th, +1.2%), Water, sewerage and sanitation (+RON 480.7 th, +22.1%) and Heating, lighting and driving force (+RON 463.4 th, +3.7%);
  - A decrease in the payments regarding **Social assistance** by RON 1,029.4 th (-3%), with preponderance at the level of Social support in kind (-RON 1,948.9 th, -49.1%). In contrast, those amounts in cash increase by RON 919.4 th (+3%);
  - The increase of **Other expenditures** group by RON 6,024.1 th (+128.3%) determined mainly by a higher level of payments for Scholarships (+RON 5,670.8 th, +160.3%) and by Other current transfers in foreign countries (RON 843.1 th; null at Q2 2020). At the same time, the payments are decreasing for Science and social-cultural actions (-RON 276.8 th, -92.6%) and Cults' support (-RON 200 th, -25%);
  - A higher level of **Internal transfers** by RON 3,529.9 th (+37.8%), entirely at the level of the amounts for the Financing of private or confessional accredited education;
  - An increase in **Staff costs** by RON 892.7 th (+1%), mainly at the level of the Payments in cash (+RON 963 th, +1.1%), respectively positive influences from Base salaries and Bonuses for working conditions and negative ones from the Fund for payments by the hour.
- The **Financial expenditures** increase by RON 3,013.8 th (+6.4%), compared to the level recorded at Q2 2020, through an increase of the Reimbursement of loans (+RON 4,994.6 th, +15.7%) and a decrease of payments for Interests (-RON 2,015.8 th, -13.3%).





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

- The **Investment expenditures** reach a level of payments below the planned amount by RON 327,222.3 th (achievement degree of 11.1%) and are distributed as follows:
  - **Capital expenditures** are below estimates by RON 286,456.3 th (-87.8%), the main variation coming from payments for Constructions (-RON 227,814.9 th, -86.4%), Other fixed assets (-RON 50,618 th, -96.9%), Machines, equipment and means of conveyance (-RON 4,373.5 th, -85.6%) and Furniture, office equipment and other tangible assets (-RON 3,649.8 th, -66.7%);
  - **Projects financing from non-refundable external funds** register payments below the budget by RON 30,198 th (-97.4%), the influences being observed at the level of the Programs from the European Fund for Regional Development (-RON 17,172.5 th, -99.7%), from the European Social Fund (-RON 11,215.3 th, -95.6%) and of Other community programs financed in the period of 2014 – 2020 (-RON 1,810.2 th, -88.7%);
  - **Capital transfers** were not performed until the end of the reporting period, with provisions amounting to RON 10,568 th, respectively for those granted in the base of partnership and association contracts (amounting to RON 10,000 th) and for Other capital transfers to the public institutions (at the level of RON 568 th).
- The **Operational expenditures** register a level under provisions by RON 132,801.7 th, with an achievement degree of 72.2%. Lower expenditures compared to the provisions are reflected in following titles:
  - **Goods and services** (without Commissions and other costs for debts), the payments being below estimates by RON 80,215.5 th (-31.7%). The dynamics is mainly reflected in the level of the expenditures on Current repairs (-RON 24,802.8 th, -50.1%), Materials and services with functional character (-RON 18,993.8 th, -28.9%), Other materials and services for maintenance and functioning (-RON 17,427.3 th, -22.7%), Registered materials (-RON 3,530.2 th, -33.5%), Heating, lighting and driving force (-RON 2,532 th, -16.2%), Water, sewerage and sanitation (-RON 2,212.5 th, -45.5%), Other expenditures (-RON 2,047 th, -23.1%), Cleaning materials (-RON 1,772.7 th, -38.1%) and Desk furniture (-RON 1,410.4 th, -65.4%);
  - **Other expenditures** (operational) group of titles, with an execution under provisions by RON 17,874.2 th (-62.5%) and influences mainly from the payments for Scholarships (-RON 13,463.6 th, -59.4%), Other subsidies (-RON 726.8 th, -29.1%) and Science and social-cultural actions (-RON 617.8 th, -96.5%). It is also noticed the absence of the budgetary execution for the Budgetary reserve fund at the disposal of local authorities (provisions of RON 3,333 th) and for the Youth programs (estimates of RON 500 th). At the same time, there were registered Payments performed in the previous years and recovered during the current year within the operating section of the local budget with a negative value of RON 299.2 th (less than the estimated RON 1,824 th);
  - **Staff costs**, which registered payments below estimates by RON 15,861.5 th (-14.9%), the dynamics being determined mainly by the Payments in cash (-RON 15,015.2 th, -14.5%; mainly Base salaries, Fund for payments by the hour and Bonuses for working conditions) and by the Contributions (-RON 846.2 th, -30.2%);
  - **Social assistance**, the registered payments being below the budget by RON 9,243.9 th (-21.6%), due to a lower level of the Social support in cash (-RON 5,639.3 th, -15.2%) and in kind (-RON 3,604.6 th, -64.1%);
  - **Current transfers**, performed at a level by RON 6,265.8 th (-21.7%) below the estimates, entirely those to public institutions;
  - **Internal transfers**, with an execution below the provisions by RON 2,602.1 th (-16.8%), entirely for the Financing of private or confessional accredited education.
- The **Financial expenditures** are below the budgetary provisions by RON 10,015.8 th (achievement degree of 83.3%), the influences coming from the Reimbursement of loans (-RON 5,219.7 th, -12.4%) and Interests (-RON 4,796.1 th RON, -26.8%).



## Expenditures ratios at Q2 2021, as compared to Q2 2020

'000 RON



Ratios	Q2 2021	Q2 2020
<b>Total staff costs</b>	<b>90,642.5</b>	<b>89,749.9</b>
Expenditures per Capita	228.3 RON	227.7 RON
The expenditure weight in the operational expenditures	26.3%	25.9%
<b>Staff costs for insurance and social assistance</b>	<b>59,722.7</b>	<b>57,110.7</b>
Expenditures per Capita	150.4 RON	144.9 RON
The expenditure weight in the operational expenditures	17.3%	16.5%
<b>Current compulsory expenditures</b>	<b>124,139.7</b>	<b>124,276.4</b>
Expenditures per Capita	312.7 RON	315.3 RON
The expenditure weight in the operational expenditures	36.0%	35.9%
<b>Operational expenditures</b>	<b>344,830.3</b>	<b>346,192.8</b>
Expenditures per Capita	868.6 RON	878.4 RON
The expenditure weight in the total expenditures	79.2%	77.0%
<b>Expenditures on debt service financing</b>	<b>49,947.2</b>	<b>46,933.4</b>
Expenditures per Capita	125.8 RON	119.1 RON
The expenditure weight in the total expenditures	11.5%	10.4%
<b>Total investment expenditures</b>	<b>40,731.7</b>	<b>56,493.0</b>
Expenditures per Capita	102.6 RON	143.3 RON
The expenditure weight in the total expenditures	9.4%	12.6%
<b>The expenditures' rigidity</b>	<b>20.8%</b>	<b>20.0%</b>
<b>The weight of the payments from the operating section in the total payments</b>	<b>90.6%</b>	<b>87.4%</b>
<b>The weight of the payments from the development section in the total payments</b>	<b>9.4%</b>	<b>12.6%</b>
<b>The deficit/surplus of the operating section</b>	<b>105,609.3</b>	<b>56,620.8</b>
<b>The deficit/surplus of the development section</b>	<b>4,790.8</b>	<b>23,532.9</b>
<b>The weight of the local public debt service in the total made payments</b>	<b>11.5%</b>	<b>10.4%</b>
<b>Maximum annual debt</b>	<b>202,362.0</b>	<b>171,183.5</b>
Net direct debt	<b>101,801.9</b>	<b>83,222.2</b>
Direct indebtedness level	14.9%	15.4%
Net public debt	<b>93,235.0</b>	<b>78,325.2</b>
Public indebtedness level	16.2%	16.3%
<b>The total expenditures achievement degree from the initial budget</b>	<b>48.1%</b>	<b>60.5%</b>
The achievement degree from the initial budget of the:		
Operational expenditures	72.2%	77.2%
Staff costs	85.1%	78.2%
Current compulsory expenditures	83.2%	79.9%
Expenditures on debt service financing	83.3%	97.2%
Investment expenditures	11.1%	22.9%
<b>The funds absorption level of the total expenditures</b>	<b>79.8%</b>	<b>84.9%</b>
Investment expenditures / Operational revenues	7.4%	11.5%
Capita,	<b>396,988</b>	<b>394,097</b>
as of:	01.01.2020	01.01.2019

- **Total staff costs** are going up by RON 892.7 th (+1%), mainly at the level of the Payments in cash (+RON 963 th, +1.1%), respectively positive influences from Base salaries and Bonuses for working conditions and negative ones from the Fund for payments by the hour.
- The **Current compulsory expenditures** decrease by RON 136.8 th (-0.1%) compared to the level reached at Q2 2020, as a result of:
  - The decrease in payments for Social assistance by RON 1,029.4 th (-3%);
  - The increase of Total staff costs.
- The **Operational expenditures** register a level by RON 1,362.5 th (-0.4%) below the one from Q2 2020, the evolution being determined by:
  - A decrease in Current transfers by RON 9,528.9 th (-29.6%);
  - A lower level of payments for Goods and services (without Commissions and other costs for debts) by RON 1,209.6 th (-0.7%);
  - A decrease in the payments regarding Social assistance;
  - The increase of Other expenditures group by RON 6,024.1 th (+128.3%);
  - A higher level of Internal transfers by RON 3,529.9 th (+37.8%);
  - An increase in Total staff costs.
- The **Expenditures on debt service financing** are going up by RON 3,013.8 th (+6.4%) in comparison to the previous reference level, considering the increase of the Reimbursement of loans (+RON 4,994.6 th, +15.7%) and the decrease of payments for Interests (-RON 2,015.8 th RON, -13.3%).
- **Total investment expenditures** incurred during the first semester of the current year are decreasing by RON 15,761.2 th (-27.9%) and are mainly represented by the Capital expenditures (-RON 15,363.4 th, -27.8%) and Projects financing from non-refundable external funds (-RON 412.8 th, -34%).

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### Section IV

- Balance Sheet
- Local Public Debt Service

# Balance Sheet

at 30.06.2021

'000 RON



Balance Sheet	30.06.2020	31.12.2020	30.06.2021
<b>Current assets</b>	<b>715,445.6</b>	<b>1,144,313.0</b>	<b>861,753.0</b>
Cash and cash equivalent	124,206.2	222,127.5	316,154.7
Inventories	110,786.2	117,748.5	119,848.2
Receivables	480,452.5	804,436.2	425,749.9
Short term investments	-	-	-
Other current assets	0.8	0.8	0.2
<b>Fixed assets</b>	<b>8,213,954.4</b>	<b>8,468,634.7</b>	<b>8,564,258.1</b>
Intangible assets	4,407.8	4,160.0	4,037.5
Tangible assets	8,204,336.8	8,457,963.4	8,553,630.6
Other fixed assets	5,209.7	6,511.3	6,590.0
<b>Total assets</b>	<b>8,929,400.0</b>	<b>9,612,947.7</b>	<b>9,426,011.1</b>
<b>Current liabilities</b>	<b>146,145.6</b>	<b>527,073.5</b>	<b>84,808.3</b>
Debts to banks	46,417.2	-	3,337.1
Accounts payable	70,403.7	489,561.1	50,551.0
Short term provisions	30.5	30.5	30.3
Other short term debts	29,294.3	37,481.9	30,889.9
<b>Long term debts</b>	<b>1,130,979.7</b>	<b>1,397,035.6</b>	<b>1,419,521.1</b>
Long term loans	1,077,662.3	1,381,726.5	1,358,544.8
Other long term debts	53,126.2	15,118.0	60,876.3
Provisions	191.1	191.1	100.0
<b>Equity and reserves</b>	<b>7,652,274.7</b>	<b>7,688,838.5</b>	<b>7,921,681.7</b>
<b>Total liabilities</b>	<b>8,929,400.0</b>	<b>9,612,947.7</b>	<b>9,426,011.1</b>
Current liquidity ratio (Current assets / Current liabilities)	4.9	2.2	10.2
Indebtedness level (Borrowed capital / Total liabilities)	12.1	14.4	14.4

- **Total assets** are decreasing by RON 186,936.6 th (-1.9%) in comparison to the level registered at the end of 2020, as a result of a decrease in Current assets (-RON 282,560 th, -24.7%) which could not be counterbalanced by the increase of Fixed assets (+RON 95,623.4 th, +1.1%).
- The decrease in **Current assets** is mainly determined by a lower level of Receivables (-RON 378,686.3 th, -47.1%). In contrast, Cash and cash equivalents are going up by RON 94,027.2 th (+42.3%).
- The increase of **Fixed Assets** is mainly determined by a higher level of Tangible assets (+RON 95,667.2 th, +1.1%).
- The balance of Current liabilities is decreasing by RON 442,265.2 th (-83.9%), mainly at the level of Accounts payable (-RON 439,010.2 th, -89.7%) and of Other short term debts (-RON 6,592.1 th, -17.6%), whilst Debts to banks are recorded in the current period at the level of RON 3,337.1 th (absent at Q4 2020).
- The Equity and reserves register an increase by RON 232,843.2 th (+3%).
- The Long term debts are increasing at the end of the reporting period (+RON 22,485.4 th, +1.6%), considering a higher level of Other long term debts (+RON 45,758.3 th, +302.7%) and the decrease of Long term loans (-RON 23,181.7 th, -1.7%).
- The Current liquidity ratio is 10.2 at the end of the first six months of 2021, compared to 2.2 at the end of 2020, as a result of a more accelerated decrease in Current liabilities (-83.9%), in contrast to the decrease in Current assets (-24.7%).

# Local Public Debt Service at 30.06.2021

'000 RON



Debt and liquidity	30.06.2021	Payout	30.06.2021
New credit withdrawals in the period	1,356.7	Payout 2Y - 2 years	265,809.6
Direct debt service	47,080.7	Payout 5Y - 5 years	709,859.7
Direct indebtedness rate	7.0%	Payout 10Y - 10 years	1,356,840.5
Public debt service	49,516.5	Payout 15Y - 15 years	1,570,805.6
Public indebtedness rate	7.3%	Payout 20Y - 20 years	1,748,257.0
Public Debt Service as % of Operational Revenues	9.1%	Total revenues per capita	1,375.1 RON
Public Debt Service as % of Operational Expenditures	14.4%	Own revenues per capita	1,142.1 RON
Long term debt % Own Funds	17.1%	Public Debt Service per capita	124.7 RON
Long term debt / Own Revenues (1.x)	3.0	Long-term loans per capita	3,422.1 RON

	2020 <sup>1)</sup>	2021 <sup>2)</sup>	2022 <sup>3)</sup>	2023 <sup>3)</sup>	2024 <sup>3)</sup>
Total revenues	982,455.7	1,249,668.2	1,262,164.9	1,274,786.5	1,287,534.4
Own revenues <sup>4)</sup>	807,676.8	791,751.2	799,668.7	807,665.4	815,742.0
Indebtedness capacity	171,183.5	202,362.0	229,557.5	239,909.7	239,908.5
Public debt service <sup>5)</sup>	91,609.1	109,126.9	135,305.4	141,843.8	145,892.7

1) Revenues collected as of 31.12.2020

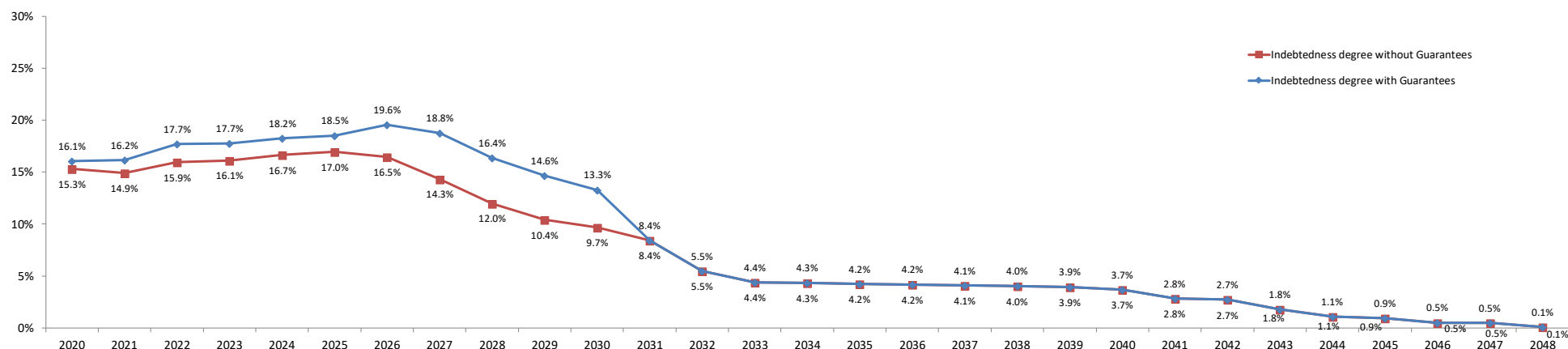
2) Revenues planned in the budget for 2021

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

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

5) TUD estimated values for the period of 2021 - 2024, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30.06.2021

## Indebtedness level forecasted for the period of 2020 - 2048



- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 30.06.2021, the estimated withdraws from the signed financing contracts and the growth rate of own revenues of 1%;
- According to the UGO nr. 46 on 05/23/2007, to complete art. 63 of the Law no. 273/2006 regarding the local public finances, "the loans contracted and/or guaranteed by the territorial-administrative units for providing the pre-financing and/or co-financing of the projects that benefit of the external non-reimbursable funds of pre and post-accession, from the European Union, are excepted from the paragraph (4) provisions" - respectively the framing in the maximum indebtedness limit;
- The maximum indebtedness limit represents 30% of the arithmetic mean of the own revenues for the last three years prior to current period.

# Glossary of terms



<b>The operating section</b>	The basic compulsory local budget section, which includes revenues needed to finance current spending in order to achieve competencies established by law, and the related running costs;
<b>The development section</b>	The complementary section of the local budget, including income and capital expenditures related to implementation of the local development policies;
<b>Own revenues*</b>	The average of the Own revenues collected in the last 3 years (Own revenues as stipulated in the art. 5, indent (1) a) Law no. 273/2006 regarding the local public finance, including subsequent amendments and additions, out of which are subtracted the Revenues from goods capitalization stipulated in the art. 29 part of the mentioned law);
<b>Operational revenues</b>	The difference between Total revenues, Investment revenues and Financial Revenues OR The Sum of Current Revenues (00.02) and Current Subsidies (00.20);
<b>Operational Expenditures</b>	Sum of Staff Cost (10), Goods and services (20), excluding Commissions and other costs related to debts (20.24), Subsidies (40), Reserve funds (50), Transfers (51+55, without investments), Social Assistance (57), Other Expenditures (59), Previous years payments recovered during the current year (85.01) OR; The difference between Total Expenditures, Investment Expenditures and Financial Expenditures, excluding Surplus / Deficit;
<b>Investment revenues</b>	Sum between Capital revenues (00.15), Capital Subsidies received from the State Budget (00.19), Sums received from the EU for the payments performed 2007 - 2013 (45.02) and 2014 - 2020 (48.02), Tax for the thermal rehabilitation (36.02.23), Contribution of the Owners' Association for the thermal rehabilitation works (36.02.31) and Sums related to the budgetary financing of the previous years, from the development section (36.02.32.02);
<b>Investment expenditures</b>	Sum of the Capital expenditures (70), of the Projects financed from post-accession non-reimbursable external funds 2007 - 2013 (56), of the Projects financed from post-accession non-
<b>Total payments made</b>	Total expenditures incurred without considering the result of the period;
<b>Taxes supporting the debt</b>	City taxes collected as follows: 01.02.01+03.02.18+04.02.01+05.02.50+06.02.02+07.02+12.02+15.02+16.02+18.02+33.02.24+34.02+35.02;
<b>Financial Expenditures</b>	The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans; In accordance to the Ministry of Finance order no. 231646/06.09.2009 previous years payments returned during the current year are reported negatively for 85.01 and are not used for payments;
<b>Returned funds from previous years</b>	These are invalidated by increasing the budgetary loans for each economic expenditure; The ratios are presented on the budgetary execution, stipulated in the Emergency Ordinance no. 63 dated 30.06.2010, whose method of calculation is covered in the Methodology of 11/03/2010;
<b>Revenues and expenditures ratios</b>	Collected revenues % of the initial/revised budgetary provisions;
<b>The revenues/expenditures achievement degree from the initial/revised budget</b>	Incurred expenditures % of the initial/revised budgetary provisions;
<b>The level of financing from the own</b>	Own revenues % in Total revenues;
<b>The degree of self-financing</b>	(Own revenues-Quotas deducted from the income tax (04.02.01)) % Total collected revenues;
<b>The degree of dependency of the local budget to the state budget</b>	The total amounts received from the State Budget (Sums allocated from the quotas deducted from income tax to balance the local budgets 04.02.04 + Sums deducted from VAT 11.02 + Subsidies received from the State Budget 00.18) % in Total revenues;
<b>The degree of decisional autonomy</b>	(Own revenues + Sums deducted from VAT for balancing the local budget 11.02.06) % in Total revenues;
<b>The expenditures' rigidity</b>	Staff costs % in Total incurred expenditures;
<b>Maximum annual debt</b>	The maximum legal amount allowed for municipal indebtedness, equal to 30% of the average of the own revenues executed in the last 3 years. Represents the maximum of Public Debt Service, according to Government Decision 145/2008;
<b>Net direct debt</b>	Total of amounts representing interests, provisions and installments, according to contracted to be paid by the end of The year, by the municipality;
<b>Net public debt</b>	Total of amounts representing interests, provisions and installments, according to contracted and guaranteed to be paid by the end of The year, by the municipality;
<b>Direct/Public indebtedness level</b>	Direct/Public Debt Service as % of Own revenues*;
<b>Net Direct/ Public indebtedness level</b>	Net public/direct debt as % of Own revenues*;
<b>Direct debt service</b>	Total amounts to be paid by the city hall as capital repayments, interests and fees for ongoing credit contracts;
<b>Public debt service</b>	Current debt service+amounts related to the granted guarantees (interests, commissions and principal);
<b>Payout n Y - n years</b>	Public debt service for the next "n" years, according to the contractual conditions for the credit facilities and the evolution of RO BID, RO BOR, EURIBOR at 30.06.2021;
<b>Current financial debt</b>	Total drawdowns related to the credit facilities for the analysed period;
<b>Per Capita</b>	For a person that is resident of the municipality; Resident inhabitants as of 1 <sup>st</sup> of January 2020/1 <sup>st</sup> of January 2019;

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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 30.06.2021 and for 30.06.2020, Initial budget for 2021 approved by LCD No. 63 from 15.04.2021, Initial budget for 2020 approved by LCD No. 25 from 21.02.2020, and the Rectified budget for 2020 approved by LCD No. 101 from 25.06.2020, together with related investment lists. The budget was not rectified until the end of the second quarter of 2021.

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