



District 6 of the Bucharest Municipality



Quarterly financial report
at 30.09.2020

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General overview



General information

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

The city of Bucharest is located in the south – east of Romania, in between the city of Ploiesti at North and Giurgiu at South. The city is located in Vlasiei Plain, which is part of the Romanian Plain, West from Baragan, East from Gavanu Burdea Plain and North from Burnazului Plain. The city has a total area of 238 km², containing six districts, each being under the administration of a City Hall. The districts are radially disposed (clockwise numbered), so that each district has in administration a part of Bucharest's centre.

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

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

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

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

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

National economy

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

Turnover of local units

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

Source: <http://www.inss.ro/cms/>; Ultimele informatii disponibile la data raportarii;

Infrastructure

Current infrastructure

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

The Bucharest – Ilfov region has the highest density of railways at 1,000 km² of area (165.3 km/100 km²), which is four times higher than the national average. The city of Bucharest is the starting point of the 8 railway throughout fares with connections to the other regions of the country.

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

Sustainable Urban Mobility Plan 2016 – 2030

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

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

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

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

Ratios 30.09.2020 (RON th)	PMB	District 1	District 2	District 3	District 4	District 5	District 6
Total revenues, w/o sums used from previous surplus	3,093,712	957,318	795,595	863,608	644,742	465,012	743,565
Own revenues, w/o sums used from previous surplus	2,855,284	867,377	711,366	734,634	520,898	425,351	644,979
Own revenues % TR	92.3%	90.6%	89.4%	85.1%	80.8%	91.5%	86.7%
Quotas and sums deducted from the income tax	2,670,887	532,518	470,921	527,717	365,389	329,375	444,966
Sums deducted from VAT	63,699	83,669	81,317	73,927	72,127	37,535	92,413
Subsidies	123,067	5,768	1,685	14,392	18,857	442	5,879
Sums received from EU	51,656	-	1,223	40,655	32,860	1,684	293
Total expenditures	3,086,007	1,010,103	740,099	717,861	633,263	474,528	730,590
Operational expenditures	2,366,963	803,092	609,078	422,022	423,673	346,734	565,399
Operational expenditures %	76.7%	79.5%	82.3%	58.8%	66.9%	73.1%	77.4%
Investment expenditures	530,815	151,170	97,860	148,876	170,122	80,674	102,146
Capital expenditures	456,765	150,441	34,453	140,440	166,619	73,447	100,686
Non - refundable external funds	87,236	730	3,375	1,020	3,503	1,383	1,496
Financial expenditures	188,230	55,841	33,161	146,964	39,468	47,120	63,044
Result of the period, w/o sums used from previous surplus	7,705	-52,785	55,496	145,747	11,479	-9,516	12,975
Sums used from previous surplus	6,915	146,808	121,114	-	2,307	40,500	44,983
Population (01.01.2019)	2,131,034	254,074	372,032	478,214	329,472	303,145	394,097

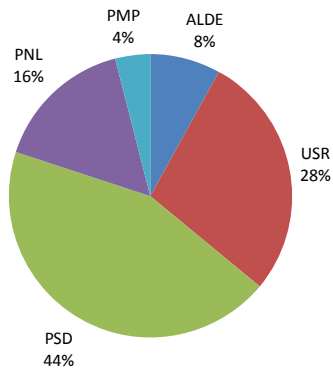
Source: <http://www.transparenta-bugetara.gov.ro/transparenta-bugetara/index.htm>;

General overview

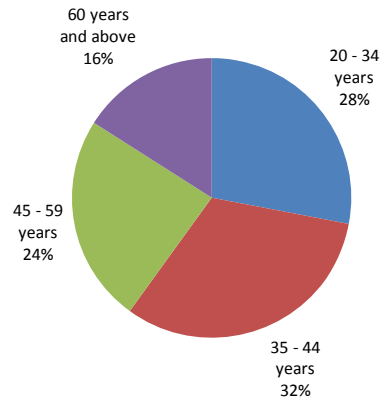
The Local Council of District 6 of the Municipality of Bucharest at 31.12.2019



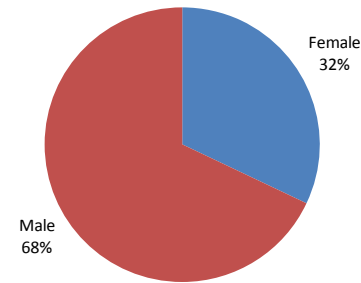
Political structure



Age distribution



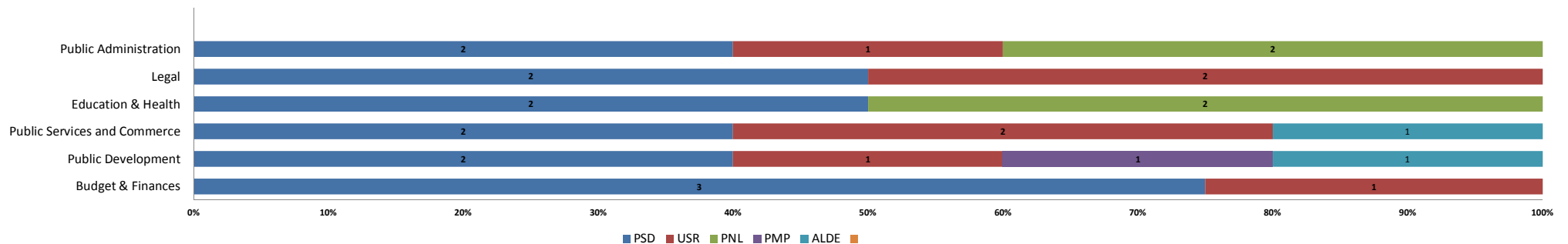
Gender distribution



Structure by political party, profession and age groups

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

District 6 Local Council Commissions and their political structure



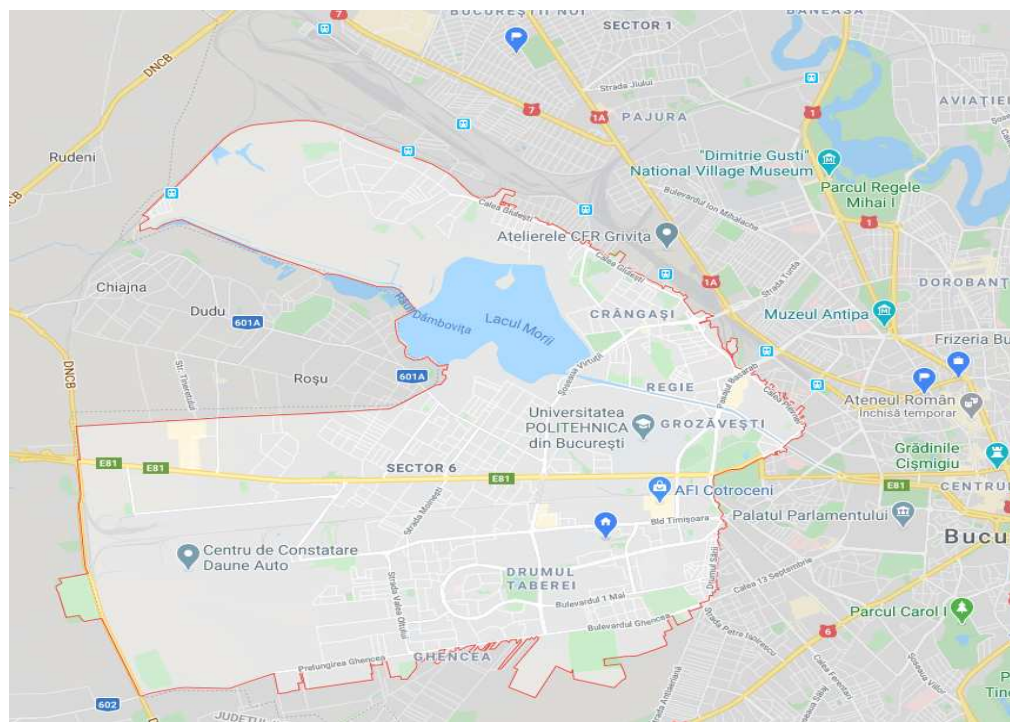
- The Mayor of District 6 of the Bucharest Municipality is Mr. Gabriel Mutu, following the result of the local elections from June 2016. Mr. Mutu represents the political alliance Democratic Social Party – National Union for the Progress of Romania, is 50 years old and a jurist by profession.
- The Deputy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



Institutions and directions subordinated to the Local Council of District 6

- **Specialized Body within the Mayor's Office;**
- **Schools Administration;**
- **Markets Administration** – entirely financed from own revenues, with a total number of 17 markets in this district;
- **Public Domain and Urban Development Administration;**
- **Directorate of Local Taxes and Duties;**
- **General Directorate for Social Assistance and Children Protection;**
- **Local Directorate for People Evidence;**
- **Directorate for the Administration of Real Estate;**
- **Inspectorate for Emergency Situations;**
- **European Cultural Center;**
- **Military Center;**
- **Multifunctional Health Center "Sf. Nectarie".**

Geographic positioning in Bucharest Municipality



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

Cultural and social environment

Commerce and utilities

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

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

Culture, recreation and religion

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

Cultural and social environment

Environment protection

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

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

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

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

Education

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

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

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

Social assistance

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

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

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

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



Bucharest (2019-2020)

Changes in allotments from the State Budget

For 2019

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

For 2020

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

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Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q3 2020 vs. Q3 2019
- Revenue and expenditure structure

Balance of revenues and expenditures at Q3 2020, as compared to Q3 2019

'000 RON



	Q3 2019	Q3 2020	%
TOTAL REVENUES	656,523.4	788,547.9	▲ 20.1%
TOTAL EXPENDITURES	593,717.9	730,589.5	▲ 23.1%
Operational Revenues	643,691.1	738,351.7	▲ 14.7%
Tax revenues	628,362.0	725,362.7	▲ 15.4%
Own tax revenues	524,050.8	632,949.7	▲ 20.8%
Sums deducted from VAT	104,311.2	92,413.0	▼ -11.4%
Non - tax revenues, out of which:	14,874.6	12,026.0	▼ -19.2%
Non - tax own revenues	1,493.4	1,837.9	▲ 23.1%
Donations and sponsorships	-	-	-
Current subsidies	454.4	963.0	▲ 111.9%
Operational Expenditures (OPEX), out of which:	503,010.8	565,399.0	▲ 12.4%
Staff costs (PEREX)	132,884.5	139,849.3	▲ 5.2%
Goods and services*	246,547.1	281,966.9	▲ 14.4%
Current transfers	45,012.0	47,276.3	▲ 5.0%
Social assistance	47,663.2	51,314.8	▲ 7.7%
Subsidies	4,249.3	2,590.4	▼ -39.0%
Other expenditures	18,238.7	23,374.0	▲ 28.2%
Operational Result	140,680.2	172,952.6	
Operational Surplus (% from OPEX)	28.0%	30.6%	
Operational Deficit (% from Op. revenues)	-	-	
Investment Revenues	3,104.1	5,213.1	▲ 67.9%
Capital revenues	19.9	3.7	▼ -81.7%
Capital subsidies	2,900.8	4,916.0	▲ 69.5%
Sums received from the EU	183.5	293.5	▲ 60.0%
Investment Expenditures (CAPEX), out of which:	51,980.1	102,146.2	▲ 96.5%
Capital transfers	-	-	-
Projects with EU financing	990.6	1,496.2	▲ 51.0%
Capital expenditures	50,989.5	100,686.1	▲ 97.5%
Result from the investment activity	- 48,876.0	- 96,933.1	
Financial Revenues	9,728.2	44,983.2	▲ 362.4%
Financial operations	9,728.2	44,983.2	▲ 362.4%
Financial Expenditures	38,727.0	63,044.3	▲ 62.8%
Commissions related to loans	-	-	-
Interests	16,647.3	22,219.6	▲ 33.5%
Reimbursement of loans	22,079.7	40,824.7	▲ 84.9%
Financial Result	- 28,998.8	- 18,061.1	
Result of the period	62,805.5	57,958.4	▼ -7.7%
Surplus (% from Total Expenditures)	10.6%	7.9%	
Deficit (% from Total Revenues)	-	-	
Result of the period (without previous year's surplus)	53,077.3	12,975.2	▼ -75.6%
Own revenues/Operational revenues (%)	85.2%	93.4%	
OPEX/Own revenues (%)	91.7%	81.9%	
(OPEX-PEREX, from Education&Insurance and social assistance)/(O. Rev.-Quotas deducted from the income tax) (%)	81.6%	68.1%	

- At the end of Q3 2020, the **Operational result** records a surplus amounting to RON 172,952.6 th, accounting to 30.6% out of Operational expenditures, going up by RON 32,272.4 th (+22.9%) in comparison to the surplus of Q3 2019. The evolution is determined by a more accelerated increase in Operational revenues (+RON 94,660.6 th, +14.7%) than the one of Operational expenditures (+RON 62,388.2 th, +12.4%).
- The **Result from the investment activity** records a deficit amounting to RON 96,933.1 th at Q3 2020, due to the amount of RON 102,146.2 th recorded as Investment expenditures (mainly Capital expenditures), whereas the Investment revenues are amounting to RON 5,213.1 th.
- The **Financial result** records a deficit amounting to RON 18,061.1 th, going down by RON 10,937.7 th (-37.7%) in comparison to the one of Q3 2019. This result was attained following the increase in Financial revenues (+RON 35,255 th, +362.4%, entirely Sums from the local budget surplus used for financing the development expenditures), whereas the Financial expenditures went up by RON 24,317.3 th (+62.8%).
- The **Result of the period** (without sums used from the surplus of previous years) is positive in both the analyzed periods. Thereby, taking into consideration the operational surplus, the result of this reporting period amounts to RON 12,975.2 th.

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

Revenues and expenditures balance at Q3 2020, as compared to Q3 2019

'000 RON



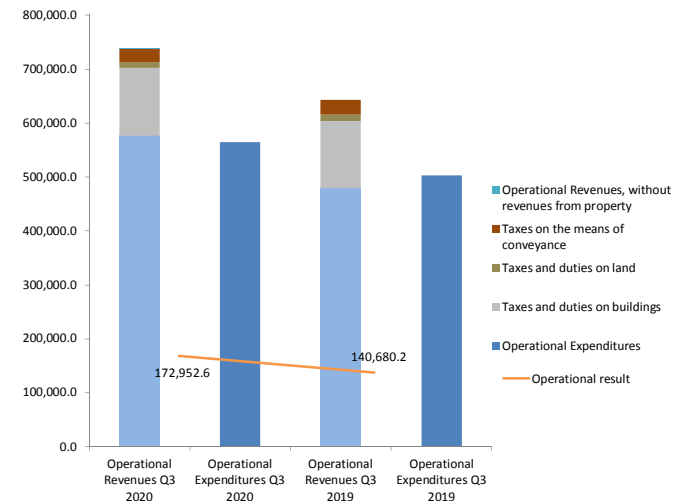
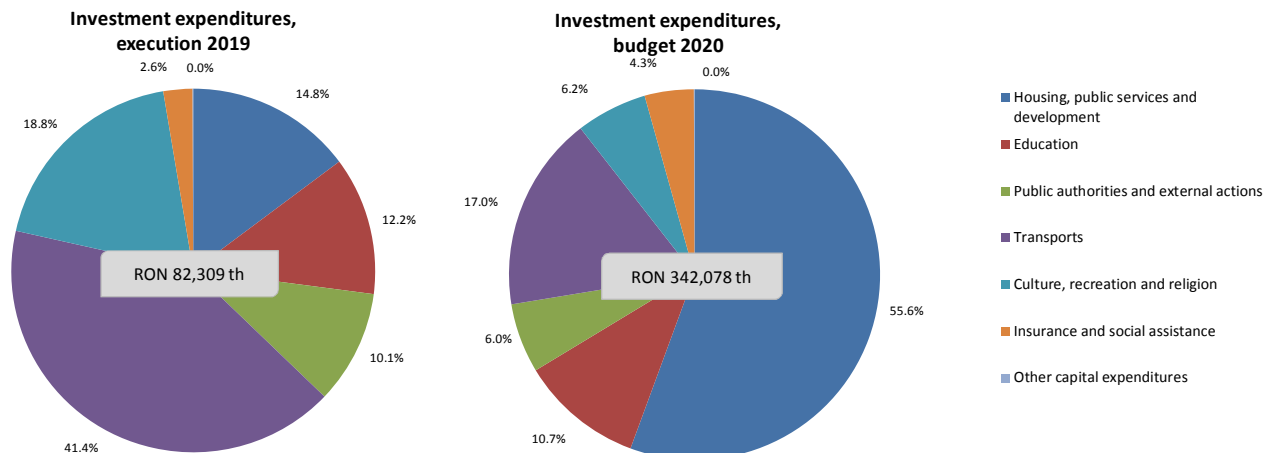
Payments performed at Q3 2020, as compared to Q3 2019 (Variation)

Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:					Financial Expenditures	Investment Expenditures	Investment expenditures (Budget 2020)
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance				
Autoritati publice si actiuni externe	▲ 12,447.5	▲ 14,295.7	482.7	19,300.5	-	0.0	▼ -1,848.3	20,677.0	
Alte servicii publice generale	▲ 1,503.9	▲ 1,503.9	248.2	387.6	-	-	0.0	-	
Tranzactii privind datoria publica si imprumuturi	▲ 5,572.3	0.0	-	-	-	▲ 5,572.3	-	-	
Transferuri cu caracter general intre diferite nivele ale administratiei	-	-	-	-	-	-	-	-	
Aparare	▲ 17.9	▲ 37.8	-	37.8	-	-	▼ 19.9	-	
Ordine publica si siguranta nationala	▲ 4,056.1	▲ 4,056.1	-	4,065.2	-	-	0.0	-	
Invatamant	▲ 25,283.0	▲ 14,087.0	261.9	-6,620.3	1,919.2	-	▲ 11,196.1	36,634.0	
Sanatate	0.0	0.0	-	0.0	-	-	0.0	-	
Cultura, recreere si religie	▼ -4,565.1	▼ -3,446.3	60.6	-2,762.4	-	-	▼ -1,118.8	21,261.0	
Asigurari si asistenta sociala	▲ 23,853.9	▲ 23,435.2	6,228.8	14,745.7	5,570.8	-	▲ 418.6	14,722.0	
Locuinte, servicii si dezvoltare	▲ 59,073.6	▲ 1,295.6	216.9	829.5	-	▲ 18,745.0	▲ 39,033.0	190,363.0	
Protectia mediului	▲ 3,526.3	▲ 3,534.3	-	3,534.3	-	-	▼ 8.0	160.0	
Actiuni generale economice, comerciale si de munca	-	-	-	-	-	-	-	-	
Combustibili si energie	-	-	-	-	-	-	-	-	
Agricultura, silvicultura si vanatoare	-	-	-	-	-	-	-	-	
Transporturi	▲ 6,102.3	▲ 3,552.8	10.5	3,561.0	-	0.0	▲ 2,549.5	58,261.0	
Alte actiuni economice	-	-	-	-	-	-	-	-	
TOTAL	▲ 136,871.6	▲ 62,352.2	6,964.8	35,419.8	3,651.6	▲ 24,317.3	▲ 50,202.2	342,078.0	

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

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

Structure of the Operational Result (Q3 2020 vs. Q3 2019)



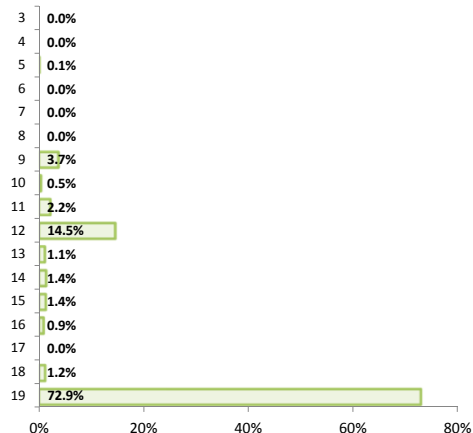
Revenue and expenditure structure

at 30.09.2020

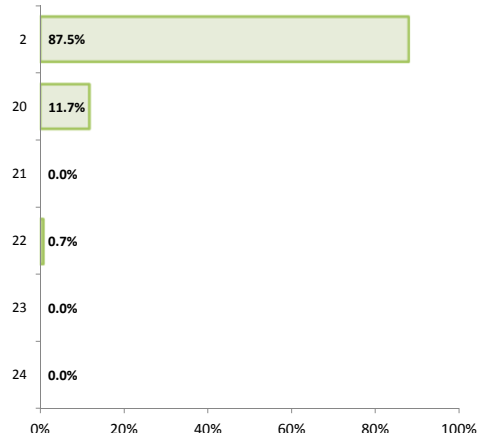
'000 RON



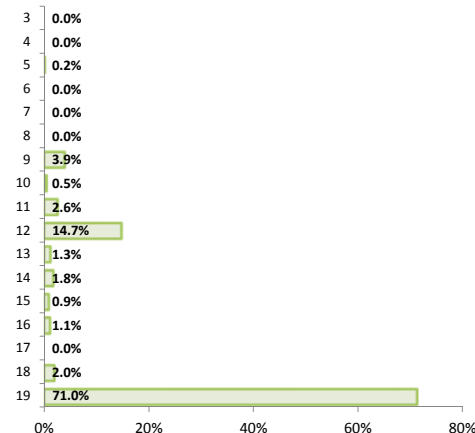
The structure of performed own revenues 788,547.9



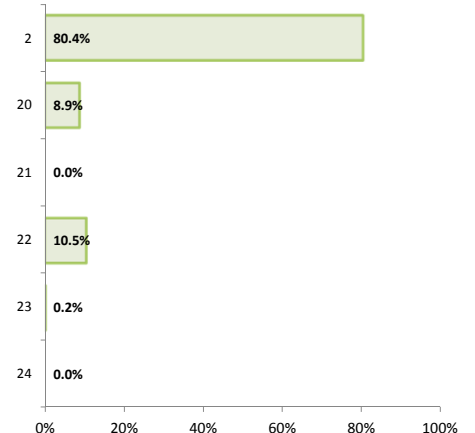
The structure of performed total revenues 788,547.9



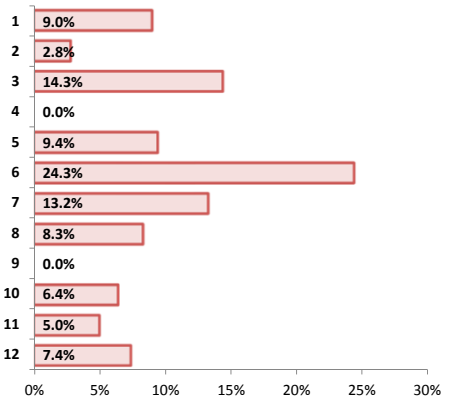
The structure of planned own revenues 845,404.0



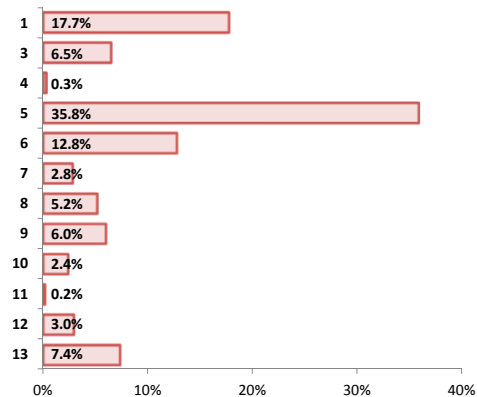
The structure of planned total revenues 845,404.0



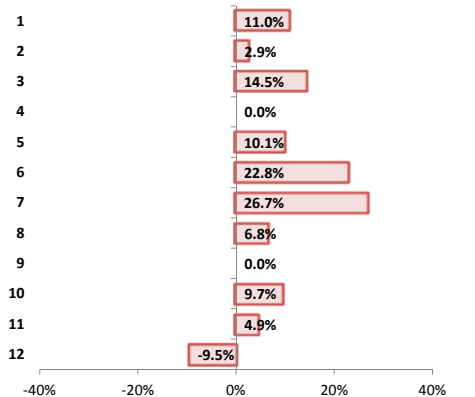
The structure of performed functional expenditures 788,547.9



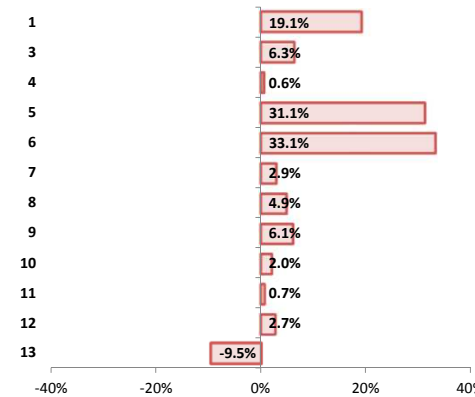
The structure performed economic expenditures 788,547.9



The structure of planned functional expenditures 845,404.0



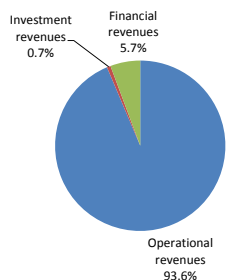
The structure of planned economic expenditures 845,404.0



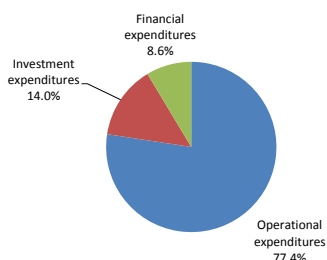
Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

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

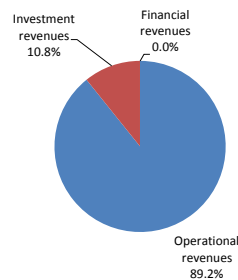
Collected revenues at Q3 2020



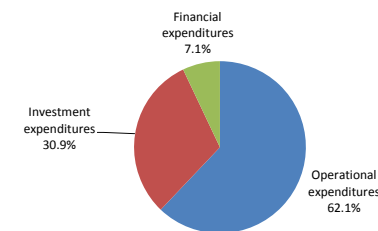
Performed expenditures at Q3 2020



Planned revenues at Q3 2020



Planned expenditures at Q3 2020





Partea II: Venituri bugetare

- The situation of the revenues collected at 30.09.2020
- The variation of the performed revenues at Q3 2020 compared to Q3 2019
- Budgetary provisions: the achievement degree of the revenues at Q3 2020
- Revenues ratios

The situation of the revenues collected at 30.09.2020



'000 RON

		2020				2019											
Line	Revenues	Planned 2020	% /TRC	Planned at Q3	% /TRC	Rectified at Q3	% /TRC	Execution at Q3	% /TRC	Planned 2019	% /TRC	Planned at Q3	% /TRC	Rectified at Q3	% /TRC	Execution at Q3	% /TRC
1	Total revenues (TR)	1,039,915.0		845,404.0		1,010,287.0		788,547.9		872,873.0		654,617.0		713,614.0		656,523.4	
2	Own revenues, out of which:	835,267.0	80.3	679,343.0	80.4	681,363.0	67.4	689,962.5	92.8	769,372.0	88.1	571,962.0	87.4	564,643.0	79.1	548,673.5	84.8
3	Quotas deducted from the income tax	-	0.0	-	-	-	-	-	-	42,219.0	4.8	42,219.0	6.4	42,219.0	5.9	42,218.4	6.5
4	Capital revenues	40.0	0.0	30.0	0.0	30.0	0.0	3.7	0.0	40.0	0.0	30.0	0.0	28.0	0.0	19.9	0.0
5	Revenues from concessions and rents	1,700.0	0.2	1,300.0	0.2	1,300.0	0.1	1,006.2	0.1	1,900.0	0.2	1,400.0	0.2	1,371.0	0.2	1,195.2	0.2
6	Payments from net profit of self-governing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tax on revenues from the transfer of real estate from the private patrimony	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Tax on buildings from the population	29,000.0	2.8	26,500.0	3.1	26,500.0	2.6	25,861.8	3.5	32,000.0	3.7	30,000.0	4.6	27,858.0	3.9	25,789.2	4.0
10	Tax on land from the population	4,100.0	0.4	3,450.0	0.4	3,450.0	0.3	3,150.9	0.4	4,000.0	0.5	3,600.0	0.5	3,740.0	0.5	3,360.7	0.5
11	Tax on the means of conveyance owned by the population	19,000.0	1.8	17,500.0	2.1	17,500.0	1.7	15,362.2	2.1	18,000.0	2.1	16,000.0	2.4	16,904.0	2.4	16,368.0	2.5
12	Tax on buildings from the legal entities	112,000.0	10.8	100,000.0	11.8	100,000.0	9.9	99,979.8	13.4	90,000.0	10.3	80,000.0	12.2	80,797.0	11.3	98,622.4	15.2
13	Tax on land from the legal entities	9,700.0	0.9	8,500.0	1.0	8,500.0	0.8	7,922.5	1.1	9,000.0	1.0	7,000.0	1.1	7,233.0	1.0	8,351.4	1.3
14	Tax on the means of conveyance owned by the legal entities	14,800.0	1.4	12,200.0	1.4	12,200.0	1.2	9,787.9	1.3	14,000.0	1.6	12,000.0	1.8	11,340.0	1.6	11,566.0	1.8
15	Fees and charges for the issuance of licences and functioning authorisations	10,200.0	1.0	6,300.0	0.7	6,300.0	0.6	9,401.9	1.3	15,000.0	1.7	12,000.0	1.8	8,460.0	1.2	5,668.2	0.9
16	Stamp duties, for notary work and other stamp	12,000.0	1.2	7,800.0	0.9	7,800.0	0.8	6,262.5	0.8	9,500.0	1.1	7,100.0	1.1	6,870.0	1.0	6,528.1	1.0
17	Extrajudicial stamp duties	25.0	0.0	17.0	0.0	17.0	0.0	15.9	0.0	23.0	0.0	15.0	0.0	14.0	0.0	14.8	0.0
18	Revenues from fines and other legal sanctions	20,000.0	1.9	13,500.0	1.6	13,500.0	1.3	8,541.3	1.1	21,500.0	2.5	17,000.0	2.6	14,270.0	2.0	12,141.3	1.9
19	Other own revenues	602,702.0	58.0	482,246.0	57.0	484,266.0	47.9	502,666.0	67.6	512,190.0	58.7	343,598.0	52.5	343,539.0	48.1	316,829.7	49.0
20	Sums deducted from the VAT	97,086.0	9.3	74,960.0	8.9	92,413.0	9.1	92,413.0	12.4	42,243.0	4.8	39,117.0	6.0	91,719.0	12.9	104,311.2	16.1
21	Donations and sponsorships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Subsidies received from the State Budget	104,226.0	10.0	89,060.0	10.5	45,496.0	4.5	5,879.0	0.8	59,643.0	6.8	42,297.0	6.5	56,011.0	7.8	3,355.2	0.5
23	Sums received from EU for the made payments	3,336.0	0.3	2,041.0	0.2	191,015.0	18.9	293.5	0.0	1,615.0	0.2	1,241.0	0.2	1,241.0	0.2	183.5	0.0
24	Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR	% /TR
Operational revenues		932,313.0	89.7	754,273.0	89.2	774,339.0	76.6	738,351.7	93.6	812,668.0	93.1	612,142.0	93.5	657,427.0	92.1	643,691.1	98.0
Investment revenues		107,602.0	10.3	91,131.0	10.8	235,948.0	23.4	5,213.1	0.66	60,205.0	6.9	42,475.0	6.5	56,187.0	7.9	3,104.1	0.47
Financial revenues		-	-	-	-	-	-	44,983.2	5.7	-	-	-	-	-	-	9,728.2	1.5
Total revenues - operating section		772,508.0	74.3	634,690.0	75.1	740,134.0	73.3	680,041.9	86.2	705,026.0	80.8	538,296.0	82.2	611,982.0	85.8	598,897.0	91.2
Total revenues - development section, out of which:		267,407.0	25.7	210,714.0	24.9	270,153.0	26.7	108,506.1	13.8	167,847.0	19.2	116,321.0	17.8	101,632.0	14.2	57,626.4	8.8
Previous surplus		-	-	-	-	-	-	44,983.2	5.7	-	-	-	-	-	-	9,728.2	1.5
Total revenues collected (TRC* = TR - Previous surplus)		1,039,915.0	100.0	845,404.0	100.0	1,010,287.0	100.0	743,564.8	94.3	872,873.0	100.0	654,617.0	100.0	713,614.0	100.0	646,795.2	98.5

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

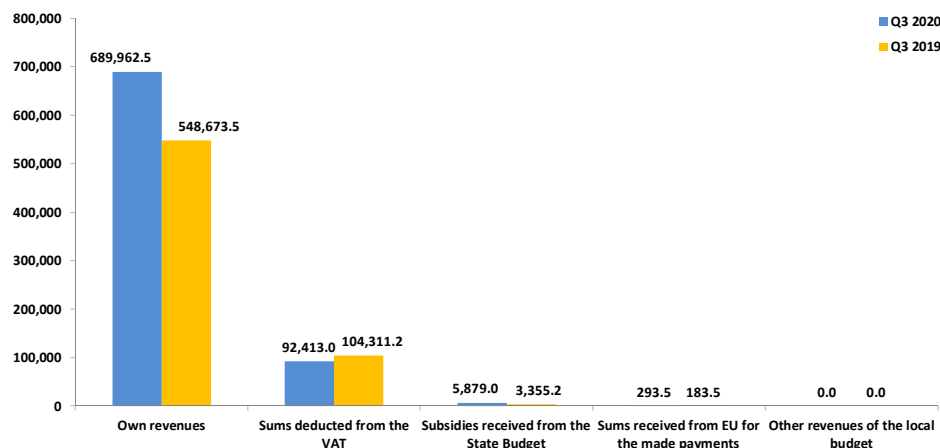
Revenues from the tax on property																	
9 + 12	Taxes and duties on buildings	141,000.0	13.6	126,500.0	15.0	126,500.0	12.5	125,841.6	16.9	122,000.0	14.0	110,000.0	16.8	108,655.0	15.2	124,411.6	19.2
10 + 13	Tax and duties on land	13,800.0	1.3	11,950.0	1.4	11,950.0	1.2	11,073.4	1.5	13,000.0	1.5	10,600.0	1.6	10,973.0	1.5	11,712.2	1.8
11 + 14	Taxes on the means of conveyance	33,800.0	3.3	29,700.0	3.5	29,700.0	2.9	25,150.1	3.4	32,000.0	3.7	28,000.0	4.3	28,244.0	4.0	27,934.1	4.3

The variation of the performed revenues at Q3 2020 compared to Q3 2019

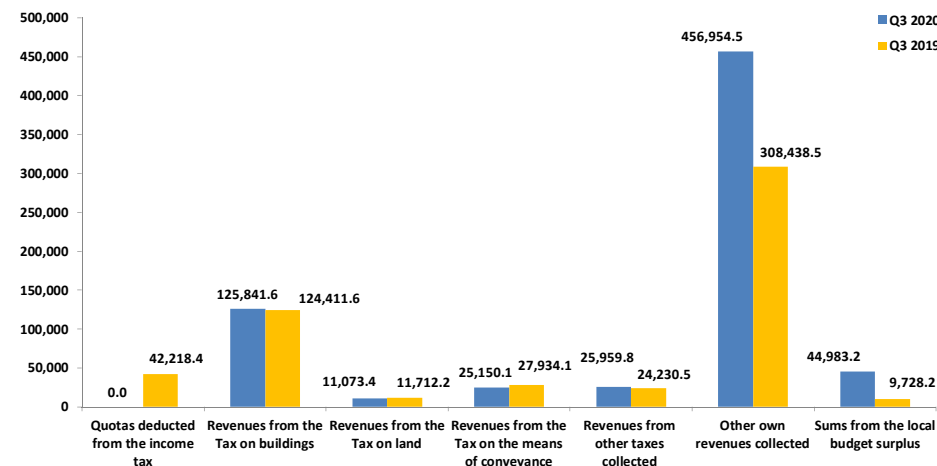
'000 RON



Total revenues



Own revenues



Revenues collected to local budget during the first three quarters of 2020 are going up by 20.1%, respectively by RON 132,024.5 th. Without taking into consideration Sums from the local budget surplus used for financing the development expenditures, it is observed an increase of revenues by 15% in the period, respectively by RON 96,769.6 th.

- **Own revenues**, accounting for 87.5% out of total revenues in the reporting period, are increasing by RON 141,289 th (+25.8%).
- **Subsidies received from the State Budget** are going up by RON 2,523.8 th, due to influences from the capital ones, respectively the Subsidies received for social housing funding (reaching RON 1,325.8 th) and the amounts recorded for Financing the National Program for Local Development (+RON 663.2 th, +23%). Likewise, at the level of the Current subsidies were recorded Subsidies received from the state budget for the settlement of quarantine expenses (their level reaching RON 592.8 th).
- **Sums received from the EU for payments performed** are recoding an increase by RON 110 th, up to RON 293.5 th (entirely related to the 2014-2020 financial framework), at the level of and the European Social Fund (+RON 89.2 th), Other amounts received from funds from the European Union for the operational programs (RON 38.6 th in revenues) and Other community programs (-RON 17.9 th).
- **Sums deducted from VAT**, are decreasing by 11.4%, down to RON 92,413 th. Influences are coming from those Sums deducted from VAT for balancing the local budget (-RON 43,283 th, -86.6%), counterbalanced by the ones for financing the expenditures of districts (+RON 23,518.8 th, +54.4%) and the private and confessional education (+RON 7,866 th, +70.3%).

- **Own revenues** are recording RON 689,962.5 th at the end of Q3 2020, the most significant influences coming from the following categories:
 - **Other own revenues collected**, going up by RON 148,516 th (+48.2%), with major contributions from Sums allocated from the quotas deducted from income tax to balance the local budgets (reaching RON 444,966.5 th) and from Revenues from fines (-RON 3,600 th, -29.7%);
 - **Sums from the local budget surplus used for financing the development expenditures**, going up by RON 35,255 th (+362.4%) in comparison to Q3 2019;
 - **Revenues from taxes on property**, decreasing by RON 1,992.8 th (-1.2%) in comparison to Q3 2019, mainly due to the amounts from population (-RON 1,143 th, -2.5%), while the collection related to the legal entities recorded a smaller decrease (-RON 849.8 th, -0.7%).
 - **Quotas deducted from income tax**, with an absence of the amounts from the budget execution, compared to the value of RON 42,218.4 th registered in the previous year. The influence comes from the State Budget Law no. 5/2020, art. 6. (3) which, by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent modifications and completions, stipulates the different allocation of the quotas from the income tax, as well as the modification of the allocated percentage. Thus, unlike in 2019, at the level of the Bucharest Municipality districts, the quotas collected decrease from 51% to a total allocated level of 50%. The amounts to be collected will be reflected in the local budget at the level of the Sums allocated from the quotas deducted from income tax to balance the local budgets;

The variation of the performed revenues at Q3 2020 compared to Q3 2019

'000 RON

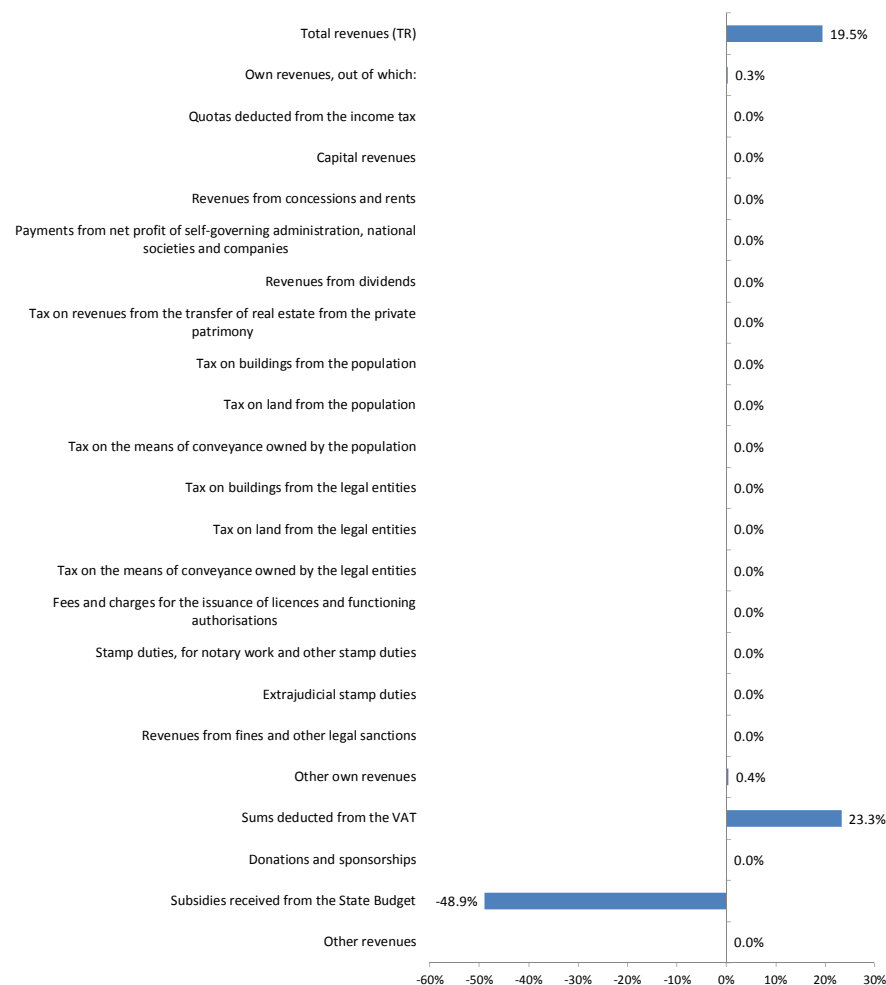


Own revenues

- o **Other taxes collected to the local budget**, with a surplus of 1,729.3 th (+7.1%) in comparison to the first nine months of 2019, due to Fees and charges for the issuance of licenses and authorizations of functioning (+RON 3,733.8 th, +65.9%), Other taxes and duties (-RON 1,391.2 th, -15,1%), Tax on shows (-RON 394.2 th, -60.4%) and Stamp duties, for notary work and other stamp duties (-RON 265,6 th, -4.1%).



Revenues rectification, as compared to the initial budget



Note: The graphical representation above does not include Sums received from the EU for payments performed (+9.258,9%);

- Last budgetary rectification in the reference interval is approved by Local Council's Decision no. 151 from 07.09.2020 and targets an increase in provisions by RON 164,883 th (+19.5%).
- Changes in the structure of revenues are observed for the following estimates:
 - **Sums received from the EU for payments performed** (+RON 188,974 th up to RON 191,015 th), respectively supplementary allotments of RON 188,491 th for the European Fund for Regional Development and of RON 483 th for Other amounts received from funds from the European Union for the operational programs. Specified provisions are related entirely to the 2014-2020 financial framework;
 - **Sums deducted from VAT** (+RON 17,453 th, +23.3%, up to RON 92,413 th), with influences from the financing the expenditures of districts (+RON 10,800 th, +17.8%), for balancing the local budget (allotments amounting to RON 6,717 RON) and for the private and confessional education (+RON 656 th, +3.6%).
 - **Revenues from services and other activities** (+RON 2,020 th, up to RON 2,071 th), with influences from the Contribution for the upkeep of assisted persons (RON 1,160 in allotments) and the ones of parents and legal guardians for the upkeep of children in nurseries (estimates of RON 860 th);
 - **Subsidies received from the State Budget** (-RON 43,564 th, -48.9%, down to RON 45,496 th), mainly at the level of capital ones, respectively the absence of estimates for the financing of some programs of national interest for the development section of the local budget (RON 82,388 th in the initial budget) and the increase of provisions for Financing the National Program for Local Development (+RON 23,558 th, +453%) and for the ones necessary for the development of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework (+RON 14,673 th, +996,8%); At the level of the Current subsidies were allotted Subsidies received from the state budget for the settlement of quarantine expenses (amounting to RON 593 th).

Budgetary provisions

Achievement degree of the revenues at Q3 2020

'000 RON



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

- Total revenues collected to local budget at the end of Q3 2020 are below the final budget by RON 221,739.1 th, thereby recording an achievement degree of 78.1%.
- **Investment revenues** are below the estimates by RON 230,734.9 th, with an achievement degree of 2.2%, significant influences coming from the following categories:
 - **Sums received from the EU for payments performed**, below provisions by RON 190,721.5 th, due to the absence of revenues for the European Fund for Regional Development (RON 188,491 th in final estimates) and the low level of the revenues related to Other community programs financed in the period of 2014 – 2020 (-RON 1,359 th, -92.3%), decrease of Other amounts received from funds from the European Union for the operational programs for the 2014-2020 financial framework (-RON 444,4 th, -92%) and of the European Social Fund (-RON 427,2 th, -75.1%);
 - **Capital subsidies**, below the estimates by RON 39,987 th (-89.1%), due to lower executions for the Financing of the National Program for Local Development (-RON 25,205.9 th, -87.6%) and Subsidies received from the state budget to local budgets necessary for the development of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework (-RON 16,106.9 th, -99.8%). At the same time, were cashed in Subsidies received for social housing funding (in amount of RON 1,325.8 th), although no such revenues were provisioned.
- **Operational revenues** are below the final rectification by RON 35,987.3 th, with an achievement degree of 95.4%. The budgetary execution structure is influenced by the following categories of revenues:
 - **Other own revenues**, without taking into consideration amounts used from previous years, below estimates by RON 26,583.1 th (-5.5%) due to evolutions of Sums allocated from the quotas deducted from income tax to balance the local budgets (-RON 23,087.5 th, -4.9%), Other taxes and duties (-RON 1,569.2 th, -16.7%), Revenues from services and other activities (-RON 1,430.7 th, -69.1%);
 - **Revenues from taxes on property**, with the execution being below provisions by RON 6,085 th, respectively a dynamic determined by taxes from population (-RON 3,075.1 th, -6.5%) and legal entities (-RON 3,009.9 th, -2.5%).
 - **Revenues from fines, the amounts collected** being below estimates by RON 4,958.7 th (-36.7%);
 - **Stamp duties, for notary work and other stamp duties**, being below the provisions by RON 1,537.5 th (-19.7%);
 - **Fees and charges for the issuance of licenses and authorizations of functioning**, above estimates by RON 3,101.9 th (+49.2%).

Revenues ratios at Q3 2020, as compared to Q3 2019

'000 RON



Ratios	Q3 2020	Q3 2019
Revenues from the tax on property	162,065.0	164,057.8
Revenues per Capita	411.2 RON	419.5 RON
The revenue weight in the total revenues	20.6%	25.0%
Own tax revenues	632,949.7	524,050.8
Revenues per Capita	1,606.1 RON	1,340.1 RON
The revenue weight in the total revenues	80.3%	79.8%
Total current revenues (autonomous)	737,388.7	643,236.6
Revenues per Capita	1,871.1 RON	1,644.9 RON
The revenue weight in the total revenues	93.5%	98.0%
Operational revenues	738,351.7	643,691.1
Revenues per Capita	1,873.5 RON	1,646.1 RON
The revenue weight in the total revenues	93.6%	98.0%
Investment revenues	5,213.11	3,104.1
Revenues per Capita	13.2 RON	7.9 RON
The revenue weight in the total revenues	0.66%	0.47%
Total revenues per Capita	2,000.9 RON	1,678.9 RON
Own revenues per Capita	1,750.7 RON	1,403.1 RON
The level of financing from the own revenues	87.5%	83.6%
The degree of self-financing	87.5%	77.1%
The degree of dependency of the local budget to the state budget	68.9%	61.1%
The degree of decisional autonomy	88.3%	91.2%
The degree of achievement of the revenues from the initial budget	93.3%	100.3%
The degree of achievement of the revenues from the final budget	78.1%	92.0%
The degree of achievement of the own revenues from the initial budget	101.6%	95.9%
The degree of achievement of the own revenues from the final budget	101.3%	97.2%
The degree of achievement of the property taxes from the initial budget	96.4%	110.4%
The degree of achievement of the property taxes from the final budget	96.4%	110.9%
The annual estimate from the local tax revenues (maximum probability)	211,217.1	213,906.3
The annual estimate from the local tax revenues (rectified budget)	225,754.0	207,276.0
The degree of achievement of the annual revenues estimated from the local tax revenues	106.9%	96.9%
The collection degree from the initial budget of the revenues from:		
Quotas deducted from the income tax	-	100.0%
Taxes on buildings from the population	97.6%	86.0%
Taxes on land from the population	91.3%	93.4%
Taxes on the means of conveyance from the population	87.8%	102.3%
Taxes on buildings from legal entities	100.0%	123.3%
Taxes on land from legal entities	93.2%	119.3%
Taxes on the means of conveyance from legal entities	80.2%	96.4%
Capita, as of:	394,097 1/1/2019	391,050 1/1/2018

- **Revenues from taxes on property** are going down by RON 1,992.8 th (-1.2%), mainly due to the amounts collected from Taxes and duties on the means of conveyance (-RON 2,784 th, -10%), Tax and duties on land (-RON 638.8 th, -5.5%) and on buildings (+RON 1,430 th, +1.1%).
- **Own tax revenues** are increasing by RON 108,898.9 th (+20.8%), mainly due to:
 - Increase of Quotas and sums deducted from the income tax (+RON 109,153.2 th, +32.5%). The influence comes from the State Budget Law no. 5/2020, art. 6. (3) which, by derogation from the provisions of art. 32 and 33 of Law no. 273/2006 with the subsequent modifications and completions, stipulates the different allocation of the quotas from the income tax, as well as the modification of the allocated percentage. Thus, unlike in 2019, at the level of the Bucharest Municipality districts, the quotas collected decrease from 51% to a total allocated level of 50%. The amounts to be collected will be reflected in the local budget at the level of the Sums allocated from the quotas deducted from income tax to balance the local budgets;
 - Increase of Fees and charges for the issuance of licenses and authorizations of functioning (+RON 3,733.7 th, +65.9%);
 - Increase of Revenues from taxes on property;
 - Lower Other taxes and duties (-RON 1,391.2 th, -15.1%);
 - Decrease of Stamp duties, for notary work and other stamp duties (-RON 265.6 th, -4.1%).
- **Total current revenues (autonomous)** are going up by RON 94,152.1 th (+14.6%), following the evolution of:
 - Tax revenues, increasing by RON 97,000.7 th (+15.4%) due to influences from Own tax revenues and Sums deducted from VAT (-RON 11,898.2 th, -11.4%);
 - Non-tax revenues, going down by RON 2,848.6 th (-19.2%), mainly due to decreases of sums from the Sale of goods and services (-RON 2,659.6 th, -19.4%).
- **Operational revenues** collected up to the end of Q3 2020 are increasing by RON 94,660.6 th, the evolution being determined by increases in Current revenues (+RON 94,152.1 th, +14.6%) and Current subsidies (+RON 508.5 th, +111.9%).
- **Investment revenues** are going up by RON 2,109 th. These amounts are related to Capital subsidies (+RON 2,015.3 th), respectively to Subsidies received for social housing funding and for Financing the National Program for Local Development.

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Section III: Budgetary expenditures (functional classification)

- The situation of the expenditures performed at 30.09.2020
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- Budgetary provisions: the achievement degree of the expenditures at Q3 2020

The situation of the expenditures performed at 30.09.2020

'000 RON



		2020				2019											
Line	Expenditures	Planned 2020	% /TP	Planned at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP	Planned 2020	% /TP	Planned at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP
Functional classification		1,039,915.0		845,404.0		1,010,287.0		788,547.9		872,873.0		654,617.0		713,614.0		656,523.4	
1	Public authorities and external actions	105,586.0	9.7	93,219.0	10.1	122,188.0	11.0	70,648.6	9.7	87,086.0	9.9	78,245.0	9.8	84,627.0	10.0	58,201.2	9.8
2	Transactions regarding the public debt (interest and fees)	31,870.0	2.9	24,386.0	2.6	25,001.0	2.3	22,219.6	3.0	30,501.0	3.5	22,395.0	2.8	22,020.0	2.6	16,647.3	2.8
3	Education	133,906.0	12.3	122,578.0	13.2	164,462.0	14.8	112,974.1	15.5	127,235.0	14.4	120,896.0	15.2	138,756.0	16.4	87,691.1	14.8
4	Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Culture, recreation and religion	97,631.0	9.0	85,636.0	9.3	113,981.0	10.3	73,902.6	10.1	102,178.0	11.6	95,607.0	12.0	103,428.0	12.2	78,467.7	13.2
6	Insurance and social assistance	221,623.0	20.4	192,922.0	20.8	245,501.0	22.1	191,504.5	26.2	205,000.0	23.2	185,885.0	23.3	203,979.0	24.1	167,650.6	28.2
7	Housing, public service and development	275,044.0	25.4	225,834.0	24.4	225,394.0	20.3	104,301.3	14.3	94,750.0	10.7	89,753.0	11.3	89,920.0	10.6	45,227.7	7.6
8	Environment protection	82,160.0	7.6	57,559.0	6.2	65,559.0	5.9	65,400.0	9.0	95,119.0	10.8	71,734.0	9.0	71,685.0	8.5	61,873.7	10.4
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	85,006.0	7.8	82,195.0	8.9	95,725.0	8.6	50,422.3	6.9	95,132.0	10.8	92,661.0	11.6	93,026.0	11.0	44,320.0	7.5
11	Other expenditures	52,072.0	4.8	41,052.0	4.4	51,755.0	4.7	39,216.5	5.4	45,600.0	5.2	40,000.0	5.0	40,644.0	4.8	33,638.6	5.7
12	Reserves, Surplus / Deficit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic classification		1,039,915.0		845,404.0		1,010,287.0		788,547.9		872,873.0		654,617.0		713,614.0		656,523.4	
1	Staff costs, of which:	198,370.0	18.3	161,684.0	17.5	164,183.0	14.8	139,849.3	19.1	169,350.0	19.2	147,261.0	18.5	154,077.0	18.2	132,884.5	22.4
	without those for Education and Insurance and social assistance	67,247.0	6.2	53,700.0	5.8	50,455.0	4.5	44,376.6	6.1	58,375.0	6.6	47,884.0	6.0	47,379.0	5.6	43,378.7	7.3
2	Social assistance	59,343.0	5.5	53,326.0	5.8	66,653.0	6.0	51,314.8	7.0	58,631.0	6.6	52,357.0	6.6	59,675.0	7.0	47,663.2	8.0
3	Subsidies	5,000.0	0.5	4,900.0	0.5	4,900.0	0.4	2,590.4	0.4	5,000.0	0.6	5,000.0	0.6	5,000.0	0.6	4,249.3	0.7
4	Goods and services	302,302.0	27.9	262,551.0	28.4	396,821.0	35.8	281,966.9	38.6	307,606.0	34.9	276,385.0	34.7	321,776.0	37.9	246,547.1	41.5
5	Capital expenditures	304,992.0	28.1	279,561.0	30.2	307,516.0	27.7	100,686.1	13.8	173,960.0	19.7	171,915.0	21.6	161,583.0	19.1	50,989.5	8.6
6	Interest	31,870.0	2.9	24,386.0	2.6	25,001.0	2.3	22,219.6	3.0	30,501.0	3.5	22,395.0	2.8	22,020.0	2.6	16,647.3	2.8
7	Loan reimbursements	63,550.0	5.9	41,044.0	4.4	41,299.0	3.7	40,824.7	5.6	38,500.0	4.4	35,596.0	4.5	35,513.0	4.2	22,079.7	3.7
8	Current transfers	64,753.0	6.0	51,460.0	5.6	53,165.0	4.8	47,276.3	6.5	56,000.0	6.3	48,134.0	6.0	52,879.0	6.2	45,012.0	7.6
9	Internal transfers	23,000.0	2.1	17,250.0	1.9	19,056.0	1.7	19,027.3	2.6	12,624.0	1.4	9,468.0	1.2	10,753.0	1.3	8,416.0	1.4
10	Projects financed from non-reimbursable external funds	7,398.0	0.7	6,071.0	0.7	6,071.0	0.5	1,496.2	0.2	3,615.0	0.4	2,591.0	0.3	2,516.0	0.3	990.6	0.2
11	Other expenditures	24,320.0	2.2	23,148.0	2.5	24,901.0	2.2	23,338.0	3.2	26,814.0	3.0	26,074.0	3.3	22,293.0	2.6	18,238.7	3.1
12	Reserves, Surplus / Deficit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total payments (TP) <i>(total expenditures performed without considering the periods' result)</i>		1,084,898.0		925,381.0		1,109,566.0		730,589.5		882,601.0		797,176.0		848,085.0		593,717.9	
Operational expenditures		677,088.0	62.4	574,319.0	62.1	729,679.0	65.8	565,399.0	77.4	636,025.0	72.1	564,679.0	70.8	626,453.0	73.9	503,010.8	84.7
Investment expenditures		312,390.0	28.8	285,632.0	30.9	313,587.0	28.3	102,146.2	14.0	177,575.0	20.1	174,506.0	21.9	164,099.0	19.3	51,980.1	8.8
Financial expenditures		95,420.0	8.8	65,430.0	7.1	66,300.0	6.0	63,044.3	8.6	69,001.0	7.8	57,991.0	7.3	57,533.0	6.8	38,727.0	6.5
Total of the Operating Section		772,508.0	71.2	639,749.0	69.1	795,979.0	71.7	628,443.3	86.0	705,026.0	79.9	622,670.0	78.1	683,986.0	80.7	541,887.5	91.3
Reserves, surplus/deficit for the operating section		-	-	-	-	-	-	51,598.6	-	-	-	-	-	-	-	57,009.5	-
Total of the Development Section		312,390.0	28.8	285,632.0	30.9	313,587.0	28.3	102,146.2	14.0	177,575.0	20.1	174,506.0	21.9	164,099.0	19.3	51,830.4	8.7
Reserves, surplus/deficit for the development section		-	-	-	-	-	-	6,359.8	-	-	-	-	-	-	-	5,796.0	-

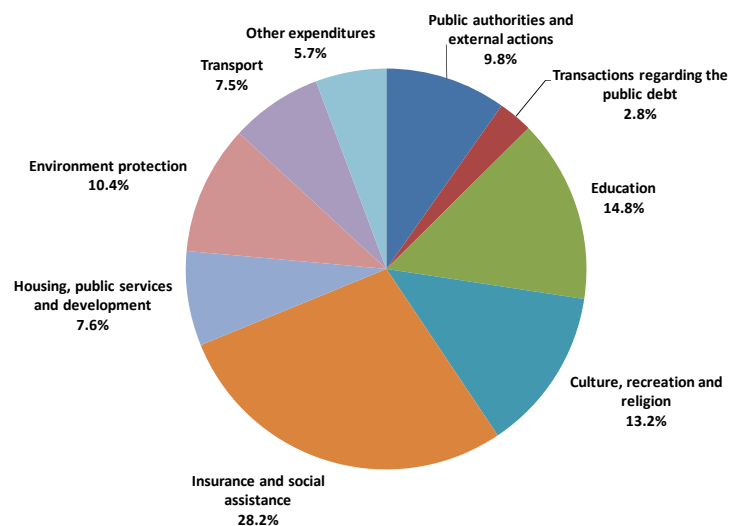
The variation of the performed expenditures at Q3 2020 vs. Q3 2019

Functional classification

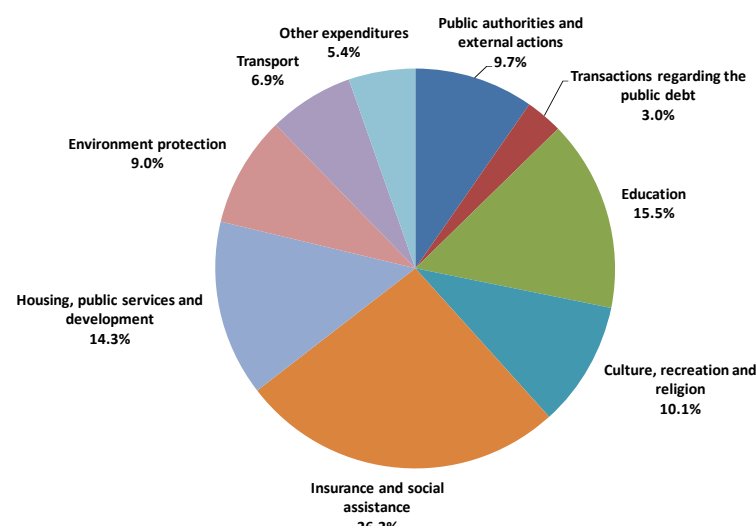
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The structure of the payments performed at Q3 2019



The structure of the payments performed at Q3 2020



- Total payments at the end of Q3 2020 is increasing by RON 136,871.6 th (+23.1%) in comparison to the execution recorded in the similar period of the prior year.
- The increase is determined by the evolutions of following chapters of expenditures:
 - **Housing, public services and development**, recorded expenditures going up by RON 59,073.6 th (+130.6%), mainly due to increases of Other expenditures in the housing system (+RON 37,496.9 th, +379.4%) and Other services for housing, public services and community development (+RON 20,485.4 th, +58%), whereas payments amounting to RON 1,094.6 th were performed for Development of housing system (in contrast to their absence at Q3 2019). From an economic perspective, increases in payments are observed for Capital expenditures (+RON 38,565.8 th, +387.9%), Reimbursement of loans (+RON 18,745 th, +84.9%) and Transfers to public institutions (+RON 1,908.4 th, +44.1%);
 - **Education**, recording increasing payments by RON 25,283 th (+28.8%). Larger amounts for Other expenditures for education (+RON 10,611.2 th, +126.1%, and these amounts are entirely related to Financing of private or confessional accredited education); Secondary education (+RON 8,539.4 th, +26.9%); Pre-school and elementary education (+RON 7,727.8 th, +21.9%), whereas decreases are observed for School after school (-RON 1,971.7 th, -18.5%). From the economic perspective, increases in payments are highlighted for Scholarships (+RON 12,179.4 th, +121.4%) and Capital expenditures (+RON 11,332.9 th, +231.2%) and decreases for Goods and services (-RON 6,620.3 th, -12.5%) and Social assistance (-RON 1,919.2 th, -33.7%);
 - **Insurance and social assistance**, payments going up by RON 23,853.9 th (+14.2%) and with influences from Other expenditures in the insurance and social assistance field (+RON 13,604.1 th, +27%), Social assistance for the disabled (+RON 7,452.3 th, +13.5%), for the elderly (+RON 2,016.4 th, +21.4%), Nurseries (+RON 525.7 th, 2.9%), for Units for medical and social assistance (+RON 358.6 th, +5.9%) and Social assistance for family and children (+RON 229.4 th, +0.9%). From the point of view of economic classification, the dynamics is reflected for Goods and services (+RON 14,745.7 th, +41%), Staff costs (+RON 6,228.8 th, +7.4%), Social assistance (+RON 5,570.8 th, +13.3%), Other subsidies (-RON 1,658.9 th, -39%) and Previous years payments recovered during the current year (-RON 1,451.2 th);

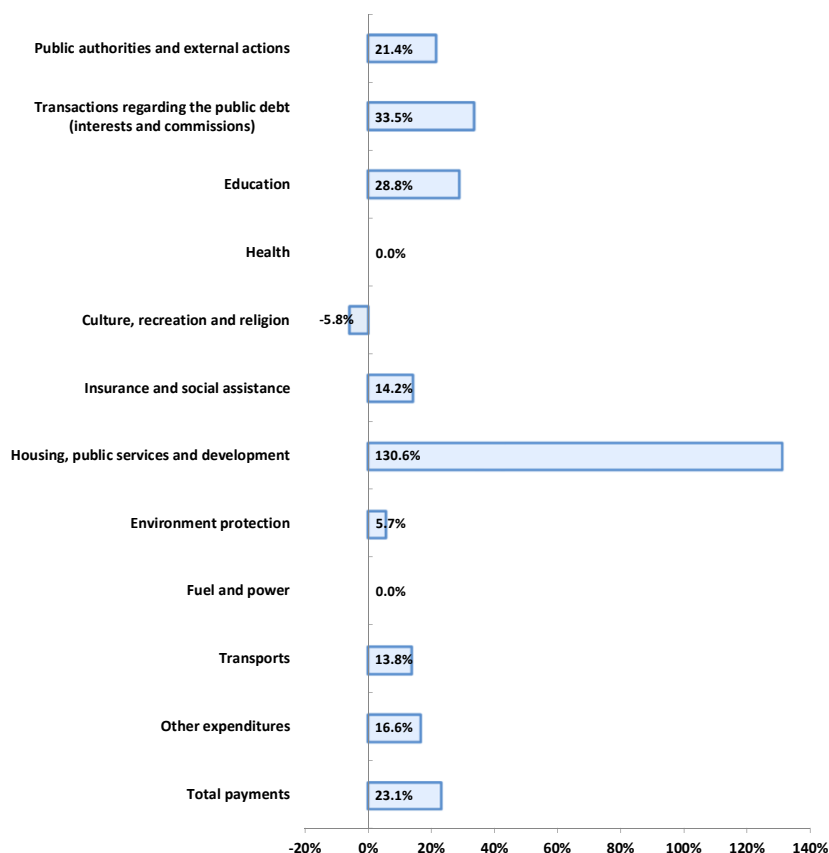
The variation of the performed expenditures at Q3 2020 vs. Q3 2019

Functional classification

'000 RON



Functional expenditures variation



- **Public authorities and external actions**, with increases of RON 12,447.5 th (+21.4%) in payments, influences coming from the expenditures on Goods and services (+RON 19,300.5 th, +112.2%), Staff costs (+RON 482.7 th, +1.7%), Other loans (without payments at Q3 2020, in comparison to RON 4,990.1 th at Q3 2019) and Capital expenditures (-RON 1,920.1 th, -37.9%);
- **Transports**, payments being increased by RON 6,102.3 th (+13.8%), whereas the dynamics is determined by larger expenditures on Streets, respectively Goods and services (+RON 3,561 th, +15.4%) and Capital expenditures (+RON 2,549.5 th, +12.7%);
- **Other expenditures**, increasing by RON 5,577.9 th (+16.6%) at the level of Public order and national security (+RON 4,056.1 th, +14.1%, mainly Civil protection and fire protection) and Other general public services (+RON 1,503.9 th, +31.9%, respectively Community public services for persons evidence and Other general public services);
- **Transactions regarding the public debt and loans**, with an increase in payments by RON 5,572.3 th (+33.5%) observed at the level of Interests, mainly the ones related to internal direct public debt (+RON 5,759.8 th, +44.1%), taking into consideration additional withdrawals and approvals related to investment loans, as well as the evolution of interests on the banking market;
- **Environment protection**, the payments going up by RON 3,526.3 th (+5.7%) and the dynamics being determined by the expenditures on Sanitation, respectively Materials and services with functional character;
- **Culture, recreation and religion**, the payments going down by RON 4,565.1 th (-5.8%) due to evolution of expenditures on Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 3,911.1 th, -5.6%), Other services in the field of culture, recreation and religion (-RON 504 th, -6.8%, entirely related to Transfers to public institutions) and Religious services (-RON 150 th, +10.3%, entirely Cults' support). From an economic perspective, highlights are observed for Goods and services (-RON 2,762.4 th, -5.4%) and Capital expenditures (-RON 1,118.8 th, +11.1%).

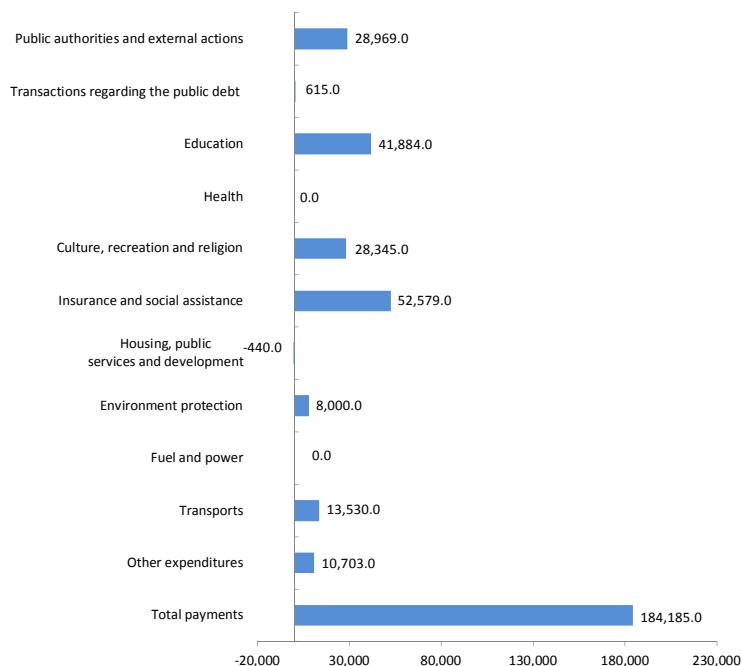
Budgetary provisions

Functional classification

'000 RON



Functional expenditures rectification, as compared to the initial budget



- Last budgetary rectification in the first nine months of 2020 provides an increase of payments by RON 184,185 th (+19.9%) in comparison to the initial budget for the period of reference, respectively up to RON 1,109,566 th.
- **Insurance and social assistance** chapter records an increase of the provisions by RON 52,579 th (+27.3%), up to RON 245,501 th. Influences are coming from Other expenditures in the insurance and social assistance field (+RON 18,416 th, +32.8%), Nurseries (+RON 13,343 th, +60.7%), Social assistance for the disabled (+RON 12,761 th, +20%), for family and children (+RON 4,457 th, +15.5%), and for elderly (+RON 3,888 th, +33.1%). The dynamics is determined, from an economic perspective, at the level of payments for Goods and services (+RON 27,113 th, +74%), Social assistance (+RON 10,580 th, +22.2%), Capital expenditures (+RON 10,492 th, +301.1%) and Staff costs (+RON 5,848 th, +5.9%).
 - The investment objectives for this chapter are distributed as following:
 - On-going works: food bank (RON 1,000 th);
 - New works: construction of “Ingerasii” nursery (RON 8,500 th from local budget); land planning and playground construction for three nurseries (RON 500 th from local budget);
 - Other investment expenditures: endowments (RON 3,373 th from local budget).

- **Education** chapter has an increase of estimates by RON 41,884 th (+34.2%), up to RON 164.462 th, influences coming from Secondary education (+RON 20,383 th, +53%), Pre-school and elementary education (+RON 18,098 th, +35.5%), Special education (+RON 2,508 th, +144.3%), Other expenditures for education (+RON 1,806 th, +10.5%, entirely for Financing of private or confessional accredited education) and School after school (-RON 911 th, -6.4%). From the economic perspective, increases in provisions are highlighted for Goods and services (+RON 25,527 th, +54.9%), Capital expenditures (+RON 8,506 th, +35.6%), Scholarships (+RON 3,402 th, +17.4%) and Social assistance (+RON 2,747 th, +48.9%).
 - The most significant investment objectives within this chapter are distributed as follows:
 - On-going works: planning and execution for “Albina” Kindergarten, including consultancy and isc quotas (RON 11,124 th from local budget); modernization of “Sfanta Treime” Secondary School (RON 3,782 th from internal loans);
 - New works: modernization of 169 Secondary School (RON 7,203 th from internal loans); energy consumption efficiency for a number of units (RON 50,089 th from external loans and RON 5,500 th from the local budget); Construction of secondary schools and kindergarten units (RON 54,551 from external loans and RON 4,472 th from the local budget); Acquisition of a modular metal container assembly, for educational units (RON 1,200 th from the local budget);
 - Other investment expenditures: independent endowments (RON 10,543 th from local budget); Expertise, design and execution expenses regarding the consolidations and interventions for the prevention or elimination of the effects produced by accidental actions and calamities, as well as the expenses related to the realization of these investments (RON 1,060 th from the local budget).



Functional expenditures rectification, as compared to the initial budget

- **Public authorities and external actions** chapter records an increase of estimates by RON 28,969 th (+31.1%), up to RON 122,188 th. Influences are coming from the provisions for Goods and services (+RON 35,283 th, +107.5%), Capital expenditures (-RON 3,124 th, -15%) and Staff costs (-RON 2,995 th, -8.5%).
 - The most significant investment objectives are distributed as follows:
 - On-going works: modernization works (rehabilitation, repairs, consolidation) for “Sfanta Treime” Secondary School (RON 2,358 th from local budget);
 - Other investment expenditures: acquisition of land in Ghencea Extension, including consultancy and notary fees (RON 10,000 th from local budget); independent endowments (RON 1,970 th from the local budget); acquisition of land in Dealul Tugulea Stret, including consultancy and notary fees (RON 1,550 th from local budget);
- **Culture, recreation and religion** has estimates increasing by RON 28,345 th (+33.1%), in comparison to the initial amount, up to RON 113,981 th. Larger allotments are observed entirely for Maintenance of public gardens, parks, green areas, sports and leisure centers, respectively Goods and services (+RON 26,924 th, +55.7%) and Capital expenditures (+RON 1,421 th, +7.6%).
 - The following investment objectives are planned within this chapter:
 - On-going works: Arrangement/rearrangement and systematization works within the district (RON 63,759 th from internal loans); consolidation, extension and modernization for “Favorit” cinema, including consultancy (RON 12,000 th from local budget); establishing of park on no. 10-12 Timisoara Blvd. (RON 2,145 th from internal loans); Execution works for ambient lighting in the ANL C-tin Brancusi Park (RON 820 th from the local budget);
 - New-works: Arrangement/rearrangement and systematization works within the district (RON 44,531 th from internal loans); Various landscaping, lighting and electricity supply works (RON 3,430 th from the local budget);
 - Other investment expenditures: prefeasibility and feasibility studies, technical projects and other studies (RON 730 th from local budget); Independent endowments (RON 494 th from local budget).
- **Transports** chapter registers an increase by RON 13,530 th (+16.5%) in provisions, up to RON 95.725 th, entirely at the level of payments for Streets, respectively Capital expenditures (+RON 11,560 th, +25.5%) and Goods and services (+RON 1,970 th, +5.5%).
 - The investment objectives planned for this chapter are distributed as follows:
 - On-going works: Modernization of alley road system, between blocks (RON 17,485 th from the local budget); network modernization and rehabilitation (RON 3,358 th from local budget); land planning and systematization for parking areas/public lighting system in Aleea Romancierilor no. 8 area (RON 934 th from local budget);
 - New works: Technical project and execution of modernization of the road system of alleys, between blocks (RON 21,000 th from the local budget); Design and execution of rehabilitation works of streets, alleys and parking lots within District 6 (RON 10,450 th from the local budget); Giulesti passage rehabilitation phase II (RON 1,620 th from local budget); Execution of the road infrastructure, the connection road between Calea Crangasi and Cornului street (RON 1,000 th from the local budget);
 - Other investment expenditures: drafting prefeasibility and feasibility studies, technical projects and other studies (RON 990 th from local budget).
- Provisions for the group of **Other expenditures** are increased by RON 10,703 th (+26.1%), up to RON 51,755 th, mainly for Public order and national security chapter (+RON 8,397 th, +27%), respectively Civil protection and fire protection (+RON 7,448 th) and Local police (+RON 949 th, +3.1%), as well as for Other general public services (+RON 2,306 th, +23.9%).
- **Environment protection** chapter has its provisions increased by RON 8,000 th (+13.9%), entirely for Sanitation, respectively Materials and services with functional character.
- The investment objectives for **Housing, public services and development** chapter are distributed as follows:
 - On-going works: thermal rehabilitation of residential buildings, including consultancy and quotas (RON 177,844 th from local budget; RON 143,793 th from internal loans; RON 165,998 th from external loans); construction of social residential buildings on Alexandru Ivasiuc Street, including consultancy (RON 8,000 th)
 - Other investment expenditures: prefeasibility and feasibility studies, Thermal rehabilitation of multi-storey buildings in District 6 (RON 2,771 th from local budget).



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

- The payments performed during the first nine months of 2020 are amounting to RON 730,589.5 th, respectively below estimates by RON 378,976.5 th (with an achievement degree of 65.8%).
- **Housing, public services and development** chapter records expenditures below the final provisions by RON 121,092.7 th, respectively an achievement degree of 46.3%. Thereby, it can be observed the evolution of Other expenditures in the housing system (-RON 111,276.5 th, -70.1%), Development of housing system (-RON 6,918.4 th, -86.3%) and Other services for housing, public services and community development (-RON 2,840.5 th, -4.8%). From an economic perspective, the variation is observed for Capital expenditures (-RON 117,852.2 th, -70.8%), Goods and services (-RON 1,499.7 th, -33.9%), Projects financing from non-refundable external funds 2014-2020 framework (-RON 688.3 th, -59.6%), Reimbursement of loans (-RON 474.3 th, -1.1%) and Staff costs (-RON 398.2 th, -6.9%).
- **Insurance and social assistance** chapter registers payments below provisions by RON 53,996.5 th and an achievement degree of 78% determined by lower expenditures on Nurseries (-RON 16,777.7 th, -47.5%), Social assistance from the disabled (-RON 14,033.9 th, -18.3%), Other expenditures in the insurance and social assistance field (-RON 10,511.2 th, -14.1%), Social assistance for family and children (-RON 6,698.3 th, -20.2%), for the elderly (-RON 4,174.8 th, -26.7%), Units for medical and social assistance (-RON 1,025.7 th, -13.7%) and Social support (-RON 775 th, -27.7%). From an economic perspective, it is observed the execution payments for Staff costs (-RON 15,041.3 th, -14.2%), Goods and services (-RON 13,050.2 th, -20.5%), Capital expenditures (-RON 12,707.2 th, -90.9%), Social assistance (-RON 10,745.6 th, -18.4%) and Other subsidies (-RON 2,309.6 th, -47.1%).
- **Public authorities and external actions** chapter has payments below estimates by RON 51,539.4 th and an achievement degree of 57.8%. Thereby, the most significant differences are recorded for Goods and services (-RON 31,588.1 th, -46.4%), Capital expenditures (-RON 14,552.1 th, -82.2%), Staff costs (-RON 2,692.8 th, -8.4%) and Projects financing from non-refundable external funds 2014-2020 framework (-RON 2,566.7 th, -86.7%).
- **Education** chapter has payments below estimates by RON 51,487.9 th, respectively an achievement degree of 68.7% determined by lower expenditures on Pre-school and elementary education (-RON 26,110.1 th, -37.8%), Secondary education (-RON 18,598.7 th, -31.6%), School after school (-RON 4,524.4 th, -34.2%) and Special education (-RON 2,207.2 th, -52%). From an economic perspective, highlights are to be noted for Goods and services (-RON 25,568.7 th, -35.5%), Capital expenditures (-RON 16,140.2 th, -49.9%), Social assistance (-RON 4,592.6 th, -54.9%), Staff costs (-RON 3,214 th, -39.5%), Projects financing from non-refundable external funds 2014-2020 framework (-RON 1,148.2 th, -78%), Scholarships (-RON 792.2 th, -3.4%).
- **Transports** chapter records payments below the final budget by RON 45,302.7 th and an achievement degree of 52.7% determined by lower expenditures on Streets, respectively Capital expenditures (-RON 34,223.7 th, -60.2%) and Goods and services (-RON 10,864.9 th, -29%).
- **Culture, recreation and religion** chapter registers payments below provisions by RON 40,078.4 th, respectively an achievement degree of 64.8% determined by the payments on Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 38,569.4 th, -37%) and Other services in the field of culture, recreation and religion (-RON 1,509 th, -18%, entirely related to Transfers to public institutions). From an economic perspective, it is observed the execution of Goods and services (-RON 26,699.6 th, -35.5%), Capital expenditures (-RON 11,195.6 th, -55.6%) and Staff costs (-RON 522.6 th, -6%).
- **Other expenditures** group has an execution below the budget by RON 12,538.5 th, respectively an achievement degree of 75.8% determined by lower payments for Public order and national security (-RON 6,708 th, -17%, entirely Local police and Civil protection and fire protection) and Other general public services (-RON 5,755.1 th, -48.1%) chapters.
- **Transactions regarding the public debt and loans** chapter has an execution below the provisions by RON 2,781.4 th, respectively an achievement degree of 88.9%. The evolution is determined by the payments on Interests, with significant influences from the internal direct ones (-RON 2,216.4 th, -10.5%).



Section III: Budgetary expenditures (economic classification)

- The variation of the performed expenditures at Q3 2020 vs. Q3 2019
- Budgetary provisions: the achievement degree of the expenditures at Q3 2020
- Expenditures ratios

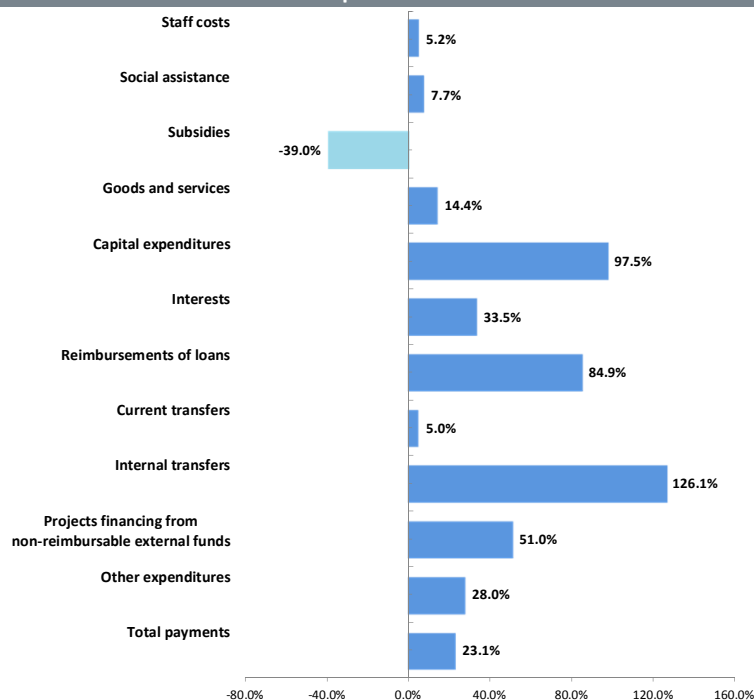
The variation of the performed expenditures at Q3 2020 vs. Q3 2019

Economic classification

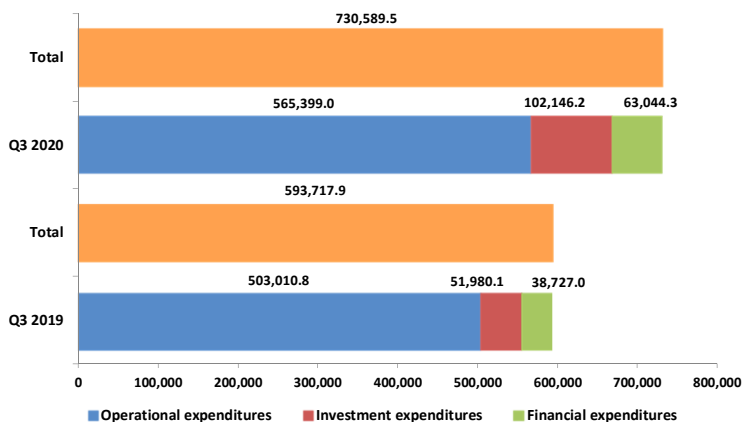
'000 RON



Economic expenditures variation



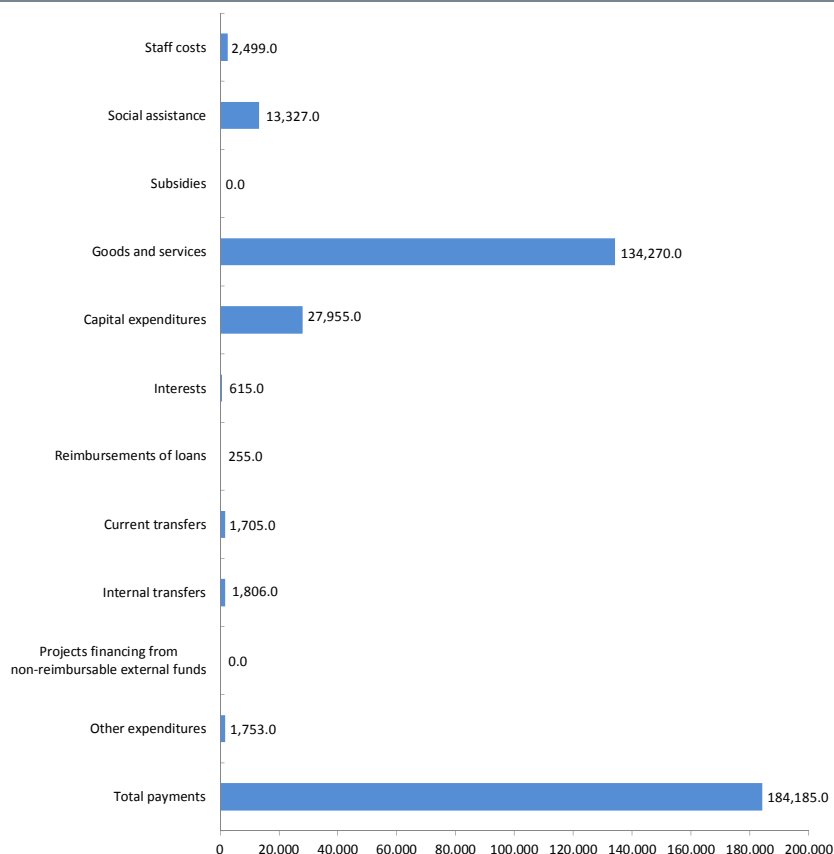
Structure of expenditures



- Operational expenditures** are going up by RON 62,388.2 th (+12.4%) in comparison to the level attained at Q3 2019 and are represented by:
 - Goods and services**, going up by RON 35,419.8 th (+14.4%). The evolution of this title is determined by the payments for Current repairs (+RON 16,024.3 th, +46.7%), Other goods and services for maintenance and functioning (+RON 8,715 th, +9.4%), Other expenditures (+RON 3,139 th, +45%), Consultancy and expertise (+RON 2,682.1 th, +334.6%), Registered materials (+RON 2,667.8 th, +53.7%), Materials and services with functional character (+RON 2,307.3 th, +3.2%), Cleaning materials (+RON 1,628.5 th, +73%) and Food for people (+RON 1,176.7 th, +42.5%);
 - Internal transfers**, amounting to RON 19,027.3 th (+RON 10,611.2 th, +126.1%), entirely for Financing of private or confessional accredited education within the Education chapter;
 - Staff costs** increased by RON 6,964.8 th (+5.2%), mainly at the level of the Payments in cash (+RON 7,092.2 th, +5.6%), respectively Base salaries, Other remuneration rights paid in cash and Fund for payments by the hour.
 - Other expenditures**, going up by RON 5,099.3 th (+28%), mainly due to the increase of payments for Scholarships (+RON 12,179.4 th, +121.4%), the absence payments for Other loans (amounting to RON 4,990.1 th at Q3 2019) and a negative value for Payments made in the previous years and recovered in the current year within the operating section of the local budget (RON 1,769 th);
 - Social assistance**, increasing by RON 3,651.6 th (+7.7%) due to executions of the Social support in cash (+RON 6,683 th, +16.7%, mainly within the Insurance and social assistance chapter) and in kind (-RON 3,031.3 th, -39.9%, mainly within the Education chapter);
 - Current transfers**, going up by RON 2,264.3 th (+5%), respectively the ones to public institutions within the Culture, recreation and religion and Housing, public services and development chapters;
 - Subsidies**, decreasing by RON 1,658.9 th (-39%), respectively at the level of Other subsidies within the Insurance and social assistance chapter.
- At the end of this reporting period, **Investment expenditures** went up by RON 50,166.1 th (+96.5%) in comparison to Q3 2019. Thereby, these payments are represented by:
 - Capital expenditures** (+RON 49,696.6 th, +97.5%), with influences from Constructions (+RON 52,625.6 th, +136.1%), Machines, equipment and means of conveyance (+RON 1,380.3 th, +109.5%) and Other fixed assets (-RON 4,591 th, -48.9%);
 - Projects financing from non-refundable external funds** (+RON 505.6 th, +51%), respectively with payments amounting to RON 467.2 th for Programs from the European Fund for Regional Development and the increase of those for the European Social Fund (+RON 175.2 th, +33.1%), while, in the same time for Other community programs financed in the period of 2014-2020 the payments decreased (-RON 136.8 th, -29.7%).
- Financial expenditures** are increasing by RON 24,317.3 th (+62.8%), in comparison to the first nine months 2019. The dynamics is determined by the following payments: Reimbursement of loans (+RON 18,745 th, +84.9%) and Interests (+RON 5,572.3 th, +33.5%).



Economic expenditures rectification, compared to initial budget



- From an economic perspective, the institution's budget is positively rectified at Q3 2020, in the means of increasing the estimates up to RON 1,109,566 th, respectively by 19.9%.
- **Operational expenditures** are going up by RON 155,360 th (+27.1%), up to RON 729,679 th, with influences from the following titles:
 - **Goods and services**, the estimates being increased by RON 134,270 th (+51.1%), up to RON 396,821 th, mainly at the level of Other goods and services for maintenance and functioning (+RON 57,291 th, +70.9%), Current repairs (+RON 34,521 th, +60.6%), Registered materials (+RON 10,142 th, +141.5%), Other expenditures (+RON 10,059 th, +125.5%), Materials and services with functional character (+RON 9,005 th, +13.3%), Heating, lighting and driving force (+RON 4,753 th, +32.7%), Cleaning materials (+RON 2,213 th, +65.8%), Food for people (+RON 2,028 th, +68.7%) and Consultancy and expertise (+RON 2,000 th, +96%);
 - **Social assistance**, the provisions being increased by RON 13,327 th (+25%), up to RON 66,653 th. Additional funds are related entirely to the Social support in cash within the Insurance and social assistance and Education chapters;
 - **Staff costs**, with the provisions being increased by RON 2,499 th (+1.5%), up to RON 164,183 th and influences from Base salaries (+RON 4,766 th, +3.7%) and Fund for payments by the hour (-RON 2,052 th, -27.7%).
 - **Internal transfers**, with estimates increasing by RON 1,806 th (+10.5%), up to RON 19,056 th, respectively Financing of private or confessional accredited education within the Education chapter;
 - **Other expenditures**, the provisions being increased by RON 1,753 th (+7.6%) and reaching RON 24,901 th. The increase is entirely related to Scholarships within the Education chapter; Within the group dynamics it can be noticed the Previous years payments recovered during the current year, that increased up to RON 1,818 th.
 - **Current transfers**, the estimates going up by RON 1,705 th (+3.3%), up to RON 53,165 th, respectively the ones to public institutions within the Public order and national security and Housing, public services and development chapters;
- **Investment expenditures** are going up by RON 27,955 th (+9.8%), up to RON 313,587 th, respectively at the level of Capital expenditures (mainly Constructions and Furniture, office equipment and other tangible assets).
- **Financial expenditures** faced increasing provisions through the final budget by RON 870 th (+1.3%), up to RON 66,300 th, considering the provisions for Interests (+RON 615 th, +2.5%) and Reimbursement of loans (+RON 255 th, +0.6%).



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

- The payments performed during the first nine months of 2020 have an achievement degree of 65.8% in comparison to final budgetary provisions. The dynamics of main groups is influenced, from an economic perspective, as follows:
 - **Investment expenditures** have payments below estimates by RON 211,440.8 th (achievement degree of 32.6%) and the following distribution:
 - **Capital expenditures** are below provisions by RON 206,829.9 th, the main variation coming from payments for Constructions (-RON 179,189.3 th, -66.3%), Other fixed assets (-RON 17,179.8 th, -75.3%), Furniture, office equipment and other tangible assets (-RON 5,963.9 th, -78.1%) and Machines, equipment and means of conveyance (-RON 4,489.9 th, -63%);
 - **Projects financing from non-refundable external funds** have payments below estimates by RON 4,574.8 th (-75.4%), influences coming from Programs from the European Social Fund (-RON 2,737.7 th, -79.5%), Other community programs financed in the period of 2014 – 2020 (-RON 1,148.2 th, -78%) and the European Fund for Regional Development (-RON 688.8 th, -59.6%).
 - **Operational expenditures** record values below provisions by RON 164,280 th, with an achievement degree of 77.5%. Lower payments are observed for the following titles:
 - **Goods and services**, with expenditures below estimated amount by RON 114,854.1 th (-28.9%). The dynamics is reflected mainly for Current repairs (-RON 41,135.8 th, -45%), Other goods and services for maintenance and functioning (-RON 36,960.6 th, -26.8%), Registered materials (-RON 9,675 th, -55.9%), Other expenditures (-RON 7,949.7 th, -44%), Heating, lighting and driving force (-RON 4,378 th, -22.7%), Materials and services with functional character (-RON 2,658.1 th, -3.5%) and Water, sewerage and sanitation (-RON 2,524.6 th, -43.3%).
 - **Staff costs**, the amounts recorded being below the budget by RON 24,333.7 th (-14.8%), whereas the dynamics is determined by Base salaries (-RON 15,416.9 th, -11.5%), Fund for payments by the hour (-RON 2,456.3 th, -45.8%), Allowances paid for persons outside the unit (-RON 2,304.7 th, -77.8%), Allowances for food (-RON 1,729 th, -21.5%), Contributions (-RON 920.2 th, -24.7%) and Payments in nature (-RON 534.2 th, -13.4%).
 - **Social assistance**, payments recorded being below estimates by RON 15,338.2 th (-23%), due to a lower level of the Social support in cash (-RON 11,404.9 th, -19.6%) and in kind (-RON 3,933.3 th, -46.3%);
 - **Current transfers**, being below provisions by RON 5,888.7 th (-11.1%), respectively at the level of those to public institutions;
 - **Subsidies**, the amounts recorded being below the budget by RON 2,309.6 th (-47.1%), respectively for Other subsidies.
 - **Other expenditures**, with the execution being under provisions by RON 1,563 th (-6.3%) and influences coming from Scholarships (-RON 792.2 th, 3.4%) and Science and social-cultural actions (-RON 234.2 th, -35.8%).
 - **Financial expenditures** are below estimates by RON 3,255.7 th (achievement degree of 95.1%), the influences coming from Interests (-RON 2,781.4 th, -11.1%) and Reimbursement of loans (-RON 474.3 th, -1.1%).

Expenditures ratios at Q3 2020, as compared to Q3 2019

'000 RON



Ratios	Q3 2020	Q3 2019
Total staff costs	139,849.3	132,884.5
Expenditures per Capita	354.9 RON	339.8 RON
The expenditure weight in the operational expenditures	24.7%	26.4%
Staff costs for insurance and social assistance	90,550.7	84,321.9
Expenditures per Capita	229.8 RON	215.6 RON
The expenditure weight in the operational expenditures	16.0%	16.8%
Current compulsory expenditures	191,164.1	180,547.7
Expenditures per Capita	485.1 RON	461.7 RON
The expenditure weight in the operational expenditures	33.8%	35.9%
Operational expenditures	565,399.0	503,010.8
Expenditures per Capita	1,434.7 RON	1,286.3 RON
The expenditure weight in the total expenditures	77.4%	84.7%
Expenditures on debt service financing	63,044.3	38,727.0
Expenditures per Capita	160.0 RON	99.0 RON
The expenditure weight in the total expenditures	8.6%	6.5%
Total investment expenditures	102,146.2	51,980.1
Expenditures per Capita	259.2 RON	132.9 RON
The expenditure weight in the total expenditures	14.0%	8.8%
The expenditures' rigidity	19.1%	22.4%
The weight of the payments from the operating section in the total payments	86.0%	91.3%
The weight of the payments from the development section in the total payments	14.0%	8.7%
The deficit/surplus of the operating section	51,598.6	57,009.5
The deficit/surplus of the development section	6,359.8	5,796.0
The weight of the local public debt service in the total made payments	8.6%	6.5%
Maximum annual debt	171,183.5	148,761.5
Net direct debt	83,954.1	87,260.4
Direct indebtedness level	15.3%	12.4%
Net public debt	79,228.5	86,548.6
Public indebtedness level	16.1%	12.5%
The total expenditures achievement degree from the initial budget	79.0%	74.5%
The achievement degree from the initial budget of the:		
Operational expenditures	98.4%	89.1%
Staff costs	86.5%	90.2%
Current compulsory expenditures	88.9%	90.4%
Expenditures on debt service financing	96.4%	66.8%
Investment expenditures	35.8%	29.8%
The funds absorption level of the total expenditures	92.6%	90.4%
Investment expenditures / Operational revenues	13.6%	7.9%
Capita,	394,097	391,050
as of:	1/1/2019	1/1/2018

- **Total staff costs** are going up by RON 6,964.8 th (+5.2%) in comparison to Q3 2019, the dynamics being determined mainly by Base salaries (+RON 6,511.3 th, +5.8%), Other remuneration rights in cash (+RON 805.6 th, +97%), Food indemnities (+RON 723.7 th, +13%) and Fund for payments by the hour (-RON 1,382.5 th, -32.2%).
- **Current compulsory expenditures** are increasing by RON 10,616.5 th (+5.9%) in comparison to Q3 2019, following:
 - The increase of Staff costs.
 - The increase in payments for Social assistance (+RON 3,651.6 th, +7.7%);
- **Operational expenditures** are going up by RON 62,388.2 th (+12.4%) in comparison to the previous execution, the evolution being determined by:
 - A larger amount of payments for Goods and services by RON 35,419.8 th (+14.4%);
 - The amounts recorded as Internal transfers at RON 19,027.3 th (+RON 10,611.2 th, +126.1%);
 - increased Staff costs;
 - increased Other expenditures by RON 5,099.3 th (+28%);
 - An increase in payments for Social assistance;
 - The increase of Current transfers by RON 2,264.3 th (+5%);
 - A lower amount of Subsidies by RON 1,658.9 th (-39%).
- **Expenditures on debt service financing** are going up by RON 24,317.3 th (+62.8%) in comparison to the level attained at Q3 2019, taking into consideration the evolution of Reimbursement of loans (+RON 18,745 th, +84.9%) and Interests (+RON 5,572.3 th, +33.5%).
- **Total investment expenditures** are amounting to RON 102,146.2 th and are represented by Capital expenditures (+RON 49,696.6 th, +97.5%) and Projects financing from non-refundable external funds (+RON 505.6 th, +51%).

Table of contents Part IV



Section IV

- Balance Sheet
- Local Public Debt Service

Balance Sheet

at 30.09.2020

'000 RON



Balance Sheet	30/9/2019	31/12/2019	30/9/2020
Current assets	622,057.4	1,025,318.6	674,299.2
Cash and cash equivalent	138,508.2	212,445.4	83,127.1
Inventories	102,155.1	105,354.7	117,613.7
Receivables	381,388.4	707,517.1	473,557.9
Short term investments	-	-	-
Other current assets	5.7	1.4	0.4
Fixed assets	7,406,912.8	7,932,824.4	8,363,711.2
Intangible assets	4,861.5	5,210.5	4,265.8
Tangible assets	7,397,093.6	7,922,702.7	8,354,267.2
Other fixed assets	4,957.7	4,911.2	5,178.3
Total assets	8,028,970.2	8,958,143.0	9,038,010.4
Current liabilities	88,827.3	433,427.3	153,794.6
ST borrowings and CP of LT debt	13,977.6	-	46,467.5
Accounts payable	44,911.8	395,639.8	78,259.6
Short term provisions	30.5	30.5	30.5
Other short term debts	29,907.3	37,757.1	29,037.0
Long term debts	856,955.9	1,065,205.9	1,216,156.7
Long term loans	856,492.4	1,049,033.8	1,132,080.5
Other long term debts	225.3	15,981.0	83,885.1
Provisions	238.1	191.1	191.1
Equity and reserves	7,083,187.0	7,459,509.7	7,668,059.1
Total liabilities	8,028,970.2	8,958,143.0	9,038,010.4
Current liquidity ratio (Current assets / Current liabilities)	7.0	2.4	4.4
Indebtedness level (Borrowed capital / Total liabilities)	10.7	11.7	12.5

- The **Total assets** are going up by RON 79,867.4 th (+0.9%), against the value attained at Q4 2019, due to an increase in Fixed assets (+RON 430,886.8 th, +5.4%), counterbalanced by the decrease of Current assets (-RON 351,019.4 th, -34.2%).
- The increase of **Fixed assets** is determined mainly by a larger amount of the tangible ones (+RON 431,564.5 th, +5.4%).
- The decrease of **Current assets** is determined mainly by a lower level of Accounts receivables (-RON 233,959.2 th, -33.1%) and of the Cash and cash equivalents (-RON 129,318.3 th, -60.9%), whereas the Stocks went up (+RON 12,259 th, +11.6%).
- The **Capitals** went up by RON 208,549.3 th (+2.8%).
- The **Long-term liabilities** are going up at the end of this reporting period (+RON 150,950.8 th, +14.2%), taking into consideration an increase in balance of Debt to banks (+RON 83,046.6 th, +7.9%) and of Other long-term liabilities (+RON 67,904.1 th, +424.9%).
- The **Short-term liabilities** are going down by RON 279,632.7 th (-64.5%), mainly in what regards the Commercial debt (-RON 317,380.2 th, -80.2%) and Other debts (-RON 8,720.1 th, -23.1%), whereas the Debt to banks attains RON 46,467.5 th (as compared to the absence of these sums at Q4 2019).
- The **Current liquidity ratio** reaches 4.4 at the end of Q3 2020, in comparison to 2.4 at the end of 2019, following a more accelerated decrease of Short-term liabilities (-64.5%), in contrast to the decrease of Current assets (-34.2%).

Local Public Debt Service at 30.09.2020

'000 RON



Debt and liquidity	30/9/2020	Payout	30/9/2020
New credit withdrawals in the period	116,613.3	Payout 2Y - 2 years	238,540.8
Direct debt service	58,742.0	Payout 5Y - 5 years	697,796.2
Direct indebtedness rate	10.3%	Payout 10Y - 10 years	1,425,475.8
Public debt service	61,837.3	Payout 15Y - 15 years	1,672,727.9
Public indebtedness rate	10.8%	Payout 20Y - 20 years	1,856,121.1
Public Debt Service as % of Operational Revenues	8.4%	Total revenues per capita	2,000.9 RON
Public Debt Service as % of Operational Expenditures	10.9%	Own revenues per capita	1,750.7 RON
Long term debt % Own Funds	14.8%	Public Debt Service per capita	156.9 RON
Long term debt / Own Revenues (1.x)	1.6	Long-term loans per capita	2,872.6 RON

	2019 ¹⁾	2020 ²⁾	2021 ³⁾	2022 ³⁾	2023 ³⁾
Total revenues	858,987.9	1,242,532.0	1,254,957.3	1,267,506.9	1,280,182.0
Own revenues ⁴⁾	696,146.6	837,637.0	846,013.4	854,473.5	863,018.2
Indebtedness capacity	148,761.5	171,183.5	205,358.0	237,979.7	253,812.4
Public debt service ⁵⁾	61,105.5	91,931.9	114,602.7	141,109.2	146,973.8

1) Revenues collected as of 31.12.2019

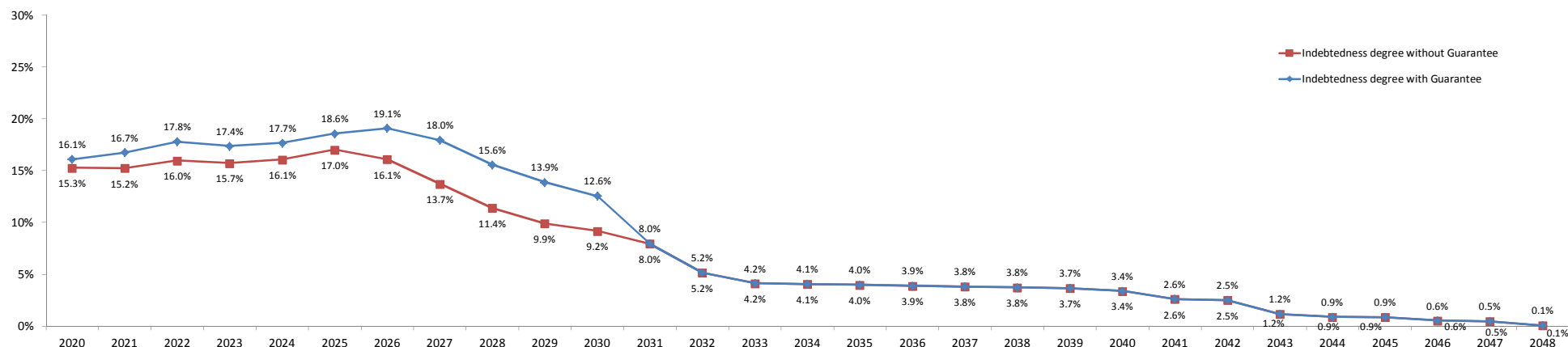
2) Revenues planned in the budget for 2020

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

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

5) TUD estimated values for the period of 2020 - 2023, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30.09.2020

Indebtedness level forecasted for the period of 2020 - 2046



- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 30.09.2020, the estimated withdraws from the signed financing contracts and the growth rate of own revenues of 1%;
- According to the UGO nr. 46 on 05/23/2007, to complete art. 63 of the Law no. 273/2006 regarding the local public finances, "the loans contracted and/or guaranteed by the territorial-administrative units for providing the pre-financing and/or co-financing of the projects that benefit of the external non-reimbursable funds of pre and post-accession, from the European Union, are excepted from the paragraph (4) provisions" - respectively the framing in the maximum indebtedness limit;
- The maximum indebtedness limit represents 30% of the arithmetic mean of the own revenues for the last three years prior to current period.

Glossary of terms



The operating section	The basic compulsory local budget section, which includes revenues needed to finance current spending in order to achieve competencies established by law, and the related running costs;
The development section	The complementary section of the local budget, including income and capital expenditures related to implementation of the local development policies;
Own revenues*	The average of the Own revenues collected in the last 3 years (Own revenues as stipulated in the art. 5, indent (1) a) Law no. 273/2006 regarding the local public finance, including subsequent amendments and additions, out of which are subtracted the Revenues from goods capitalization stipulated in the art. 29 part of the mentioned law);
Operational revenues	The difference between Total revenues, Investment revenues and Financial Revenues OR The Sum of Current Revenues (00.02) and Current Subsidies (00.20);
Operational Expenditures	Sum of Staff Cost (10), Goods and services (20), excluding Commissions and other costs related to debts (20.24), Subsidies (40), Reserve funds (50), Transfers (51+55, without investments), Social Assistance (57), Other Expenditures (59), Previous years payments recovered during the current year (85.01) OR; The difference between Total Expenditures, Investment Expenditures and Financial Expenditures, excluding Surplus / Deficit;
Investment revenues	Sum between Capital revenues (00.15), Capital Subsidies received from the State Budget (00.19), Sums received from the EU for the payments performed 2007 - 2013 (45.02) and 2014 - 2020 (48.02), Tax for the thermal rehabilitation (36.02.23), Contribution of the Owners' Association for the thermal rehabilitation works (36.02.31) and Sums related to the budgetary financing of the previous years, from the development section (36.02.32.02);
Investment expenditures	Sum of the Capital expenditures (70), of the Projects financed from post-accession non-reimbursable external funds 2007 - 2013 (56), of the Projects financed from post-accession non-
Total payments made	Total expenditures incurred without considering the result of the period;
Taxes supporting the debt	City taxes collected as follows: 01.02.01+03.02.18+04.02.01+05.02.50+06.02.02+07.02+12.02+15.02+16.02+18.02+33.02.24+34.02+35.02;
Financial Expenditures	The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans; 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;
Returned funds from previous years	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;
Revenues and expenditures ratios	
The revenues/expenditures achievement degree from the initial/revised budget	Collected revenues % of the initial/revised budgetary provisions; Incurred expenditures % of the initial/revised budgetary provisions;
The level of financing from the own	Own revenues % in Total revenues;
The degree of self-financing	(Own revenues-Quotas deducted from the income tax (04.02.01)) % Total collected revenues;
The degree of dependency of the local budget to the state budget	The total amounts received from the State Budget (Sums allocated from the quotas deducted from income tax to balance the local budgets 04.02.04 + Sums deducted from VAT 11.02 + Subsidies received from the State Budget 00.18) % in Total revenues;
The degree of decisional autonomy	(Own revenues + Sums deducted from VAT for balancing the local budget 11.02.06) % in Total revenues;
The expenditures' rigidity	Staff costs % in Total incurred expenditures;
Maximum annual debt	The maximum legal amount allowed for municipal indebtedness, equal to 30% of the average of the own revenues executed in the last 3 years. Represents the maximum of Public Debt Service, according to Government Decision 145/2008;
Net direct debt	Total of amounts representing interests, provisions and installments, according to contracted to be paid by the end of The year, by the municipality;
Net public debt	Total of amounts representing interests, provisions and installments, according to contracted and guaranteed to be paid by the end of The year, by the municipality;
Direct/Public indebtedness level	Direct/Public Debt Service as % of Own revenues*;
Net Direct/ Public indebtedness level	Net public/direct debt as % of Own revenues*;
Direct debt service	Total amounts to be paid by the city hall as capital repayments, interests and fees for ongoing credit contracts;
Public debt service	Current debt service+amounts related to the granted guarantees (interests, commissions and principal);
Payout n Y - n years	Public debt service for the next "n" years, according to the contractual conditions for the credit facilities and the evolution of ROBID, ROBOR, EURIBOR at 30.09.2020;
Current financial debt	Total drawdowns related to the credit facilities for the analysed period;
Per Capita	For a person that is resident of the municipality; Resident inhabitants as of 1 st of January 2019/1 st of January 2018;

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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 30.09.2020 and for 30.09.2019, Initial budget for 2020 approved by LCD No. 25 from 21.02.2020, Initial budget for 2019 approved by LCD No. 110 from 18.04.2019, Rectified budget for 2020 approved by LCD No. 151 from 07.09.2020, and Rectified budget for 2019 approved by LCD No. 240 from 26.09.2019, together with related investment lists.

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