



## District 6 of the Bucharest Municipality



**Quarterly financial report**  
at 30.06.2024



## Content

- General overview
- Context: Legislative changes with effect on local budgets - Bucharest (2021 - 2024)

### **Section I: Summary of budgetary dynamics**

- Revenue and expenditure balance at Q2 2024 vs. Q2 2023
- Revenue and expenditure structure

### **Section II: Budgetary revenues**

- The situation of the revenues collected at 30.06.2024
- The variation of the performed revenues at Q2 2024 compared to Q2 2023
- Budgetary provisions: the achievement degree of the revenues at Q2 2024
- Revenues ratios

### **Section III: Budgetary expenditures (functional and economic classification)**

- The situation of the expenditures performed at 30.06.2024
- The variation of the performed expenditures at Q2 2024 vs. Q2 2023
- Budgetary provisions: the achievement degree of the revenues at Q2 2024
- Expenditures ratios

### **Section IV:**

- Balance sheet
- Local public debt service

### **Glossary of terms**

### **Disclaimer**



## General overview

### General information

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

Bucharest is located in the southeast of Romania, between Ploiesti to the north and Giurgiu to the south. The city is situated in the Vlasia Plain, which is part of the Romanian Plain. To the east lies Baragan, to the west the Gavanu Burdea Plain, and to the south it is bordered by the Burnaz Plain. The city has a total area of 238 km<sup>2</sup>, over which six sectors are spread, each governed by its own city hall. The sectors are arranged radially (and numbered clockwise) so that each one administers a part of Bucharest's center.

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

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

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

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

Workforce	Bucharest	B-IF Region	Measurement unit	Reference period
Work resources	1,314	1,692	th of people	2022
Work resources occupancy rate	94.9%	86.3%	Percentages	2022
Number of employees	1,074	1,256	Number of people	2022
Unemployment rate	0.8%	0.7%	Percentages	06.2024

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

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

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

### Infrastructure

#### Current Infrastructure

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

The Bucharest – Ilfov region has the highest density of railways per 1,000 km<sup>2</sup> of territory (165.3 km/100 km<sup>2</sup>), which is almost four times the national average. Bucharest is the starting point for the eight main railway lines that connect to other regions of the country.

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

#### Sustainable Urban Mobility Plan 2016 - 2030

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

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

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

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

Ratios 30.06.2024 (th RON)	PMB	Sector 1	Sector 2	Sector 3	Sector 4	Sector 5	Sector 6
<b>Total revenues, w/o sums used from previous surplus</b>	<b>3,340,705</b>	<b>916,438</b>	<b>1,018,556</b>	<b>1,375,172</b>	<b>1,004,475</b>	<b>607,782</b>	<b>951,553</b>
Own revenues	2,868,042	787,469	774,544	930,834	678,396	521,138	773,571
<i>Own revenues % TR</i>	85.9%	85.9%	76.0%	67.7%	67.5%	85.7%	81.3%
<i>Quotas and amounts deducted from the income tax</i>	2,692,167	380,715	478,274	632,976	433,640	389,187	514,008
Sums deducted from VAT	18,334	125,712	120,580	139,792	105,036	79,790	125,992
Subsidies (from the State budget and from other administrations)	333,416	1,595	48,102	193,409	220,862	8,597	30,995
Sums received from EU	97,913	1,659	75,325	111,137	181	-1,744	5,799
<b>Total expenditures</b>	<b>3,087,969</b>	<b>701,947</b>	<b>686,042</b>	<b>1,104,526</b>	<b>1,011,262</b>	<b>623,183</b>	<b>925,503</b>
Operational expenditures	2,324,877	555,021	533,793	587,799	469,661	461,733	525,339
Operational expenditures % TP	75.3%	79.1%	77.8%	53.2%	46.4%	74.1%	56.8%
Investment expenditures, out of which:	491,337	80,618	108,784	455,567	463,068	107,640	341,399
Capital expenditures	388,013	14,220	66,524	275,524	193,969	105,784	248,109
Non-reimbursable external funds	1,545	0	5,266	172	64	186	868
Financial expenditures	271,756	66,307	43,465	61,160	78,533	53,810	58,765
<b>Result of the period, w/o sums used from previous surplus</b>	<b>252,736</b>	<b>214,491</b>	<b>332,515</b>	<b>270,646</b>	<b>-6,786</b>	<b>-15,401</b>	<b>26,051</b>
<b>Sums used from previous surplus</b>	<b>98,370</b>	<b>350,000</b>	<b>50,000</b>	<b>11,942</b>	<b>88,736</b>	<b>66,309</b>	<b>84,178</b>
<b>Result of the period</b>	<b>351,106</b>	<b>564,491</b>	<b>382,515</b>	<b>282,588</b>	<b>81,950</b>	<b>50,908</b>	<b>110,229</b>
Population (01.01.2024)	2,142,929	265,353	359,927	486,903	334,810	300,448	395,488

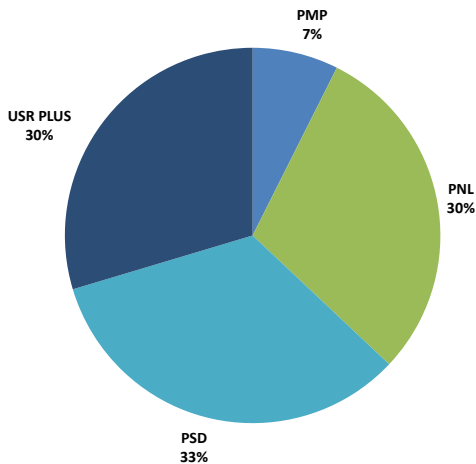
Source: <https://forexpublic.mfinante.gov.ro/web/transparenata-bugetara/rapoarte-entitati-publice>



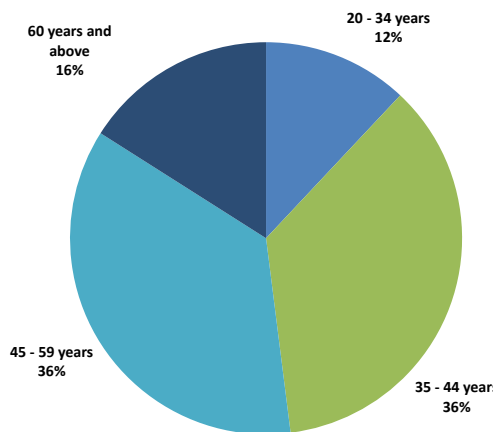
# General overview

The Local Council of District 6 of the Bucharest Municipality at 30.06.2024

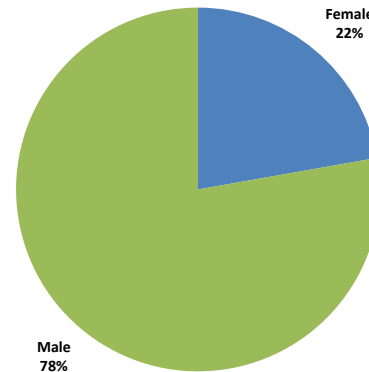
Political structure



Age distribution



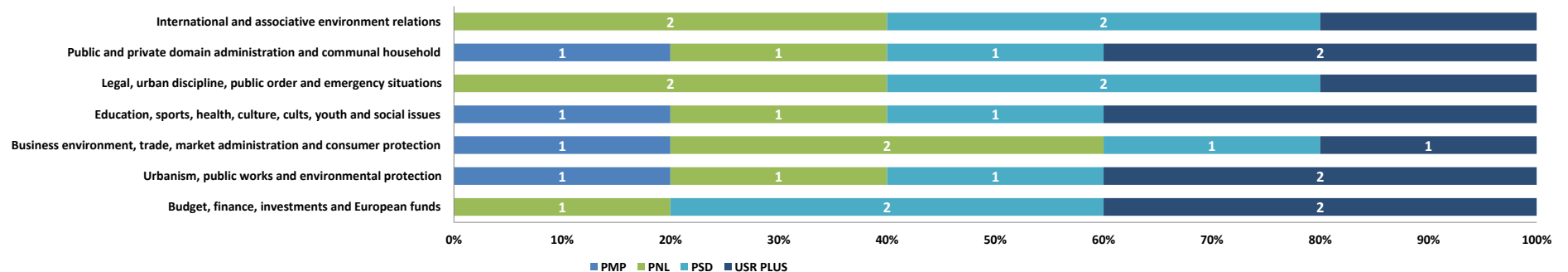
Gender distribution



Structure by political party, profession and age groups

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

## District 6 Local Council Commissions and their political structure



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

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

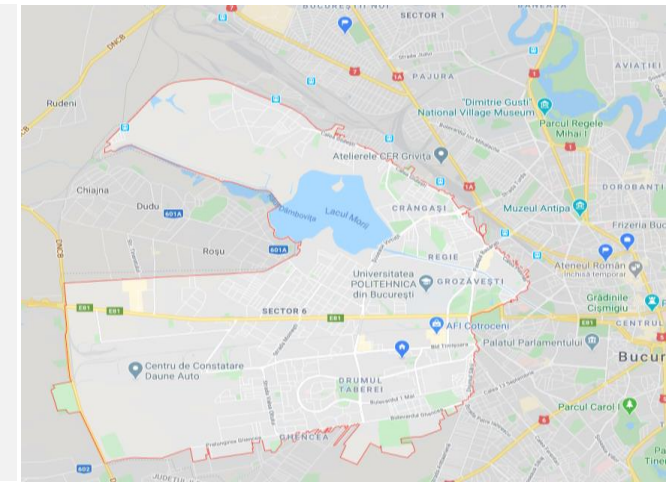
Mr. Spiridon Demirel is the Secretary of Sector 6 of Bucharest Municipality, a lawyer by profession.

## General overview



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

- **District 6 of the Bucharest Municipality (Specialized body within the Mayor's office);**
- **Commercial Administration District 6;**
- **Public Domain Administration and Urban Development District 6;**
- **General Directorate of Local Taxes and Duties District 6;**
- **Schools Administration District 6;**
- **Education units;**
- **General Directorate of Social Assistance and Child Protection;**
- **General Directorate of Local Police District 6;**
- **Local Directorate of Population Evidence District 6;**
- **European Cultural Center District 6;**
- **Multifunctional Health Center "Sfantul Nectarie";**
- **Center for Innovation and Urban Design Sector 6 S.R.L. (established by LCD no. 44/28.02.2023).**



### Cultural and social environment

#### Trade and utilities

- In Sector 6 there are over 10 major shopping centers, of which the most important are: Metro, Carrefour, Bricostore, AFI Mall, Plaza Romania, Cora, Expo Construct Militari, Dedeman, Sir Commercial Complex and approximately 1,200 stores carrying out commercial activities. The agri-food markets are concentrated in Drumul Taberei, Militari and Crangasi districts and are financed entirely from own revenues (extrabudgetary institutions). A source of income is the direct exploitation of Chilia Veche, Valea Ialomitei, Drumul Taberei II and Giulesti II markets by collecting lump sum taxes for stalls, and the second source is constituted by revenues obtained from association contracts and rental contracts concluded for the arrangement and exploitation of other markets (Gorjului, Veteranilor, Drumul Taberei I and Crangasi).
- The utilities in Sector 6 are ensured as follows: water supply is made by APA NOVA SA, thermal energy supply by CMTEB, natural gas supply by ENGIE, and electricity supply by ENEL.

#### Culture, recreation and religion

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

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

### Environment protection

- The European directives transposed into Romanian legislation have determined a new approach to the waste problem, paying attention to the need to protect and save natural resources, reduce management costs and find efficient solutions to reduce pollution. In order to increase the quantities of waste reintroduced into the economic circuit, it is necessary to build separate waste collection points (by fractions). The Ministry of Environment, Waters and Forests launched the Specific Guide for Component 3 Investment I.1, Sub-investment I.1.B – Building digitized ecological islands. Thus, Sector 6 of Bucharest considers it appropriate to set up and equip 231 digitized ecological islands (container assembly), for the following separately collected waste streams: paper and cardboard waste, plastic and metal waste, glass waste, biodegradable waste, residual waste. The project proposed and approved by **LCD no. 126/19.06.2023**, is complementary to other investments financed from the local fund and external funds. Thus, the number of inhabitants served by the 231 ecological islands is 57,500 inhabitants. The total financial allocation granted through PNRR for works for the construction and operationalization of digitized ecological islands is 260,130,000 Euro. The maximum eligible value of the project corresponds to an eligible unit cost, as follows: Overground islands encased with containers of 1.1 cubic meters – 14,000 Euro / island (without VAT).
- **LCD 127/24.05.2024**, the project 'Expansion of the Separate Waste Collection System in Sector 6 of Bucharest Municipality' is approved. The total value of the project is 130,375,056 RON (including VAT), divided into two stages. In Stage 1, the project value is 9,811,854 RON (including VAT), with Sector 6 contributing 132,594.53 RON (including VAT). In Stage 2, the total project value is 120,563,201 RON (including VAT), and the contribution of Sector 6 is 22,313,240 RON (including VAT).
- **LCD 286/21.12.2023** endorsed the Local Strategy for Digital Transformation of Sector 6 of Bucharest 2023-2030 and the Local Strategy for Green Energy of Sector 6 of Bucharest 2023-2030, projects co-financed by the European Social Fund through the Administrative Capacity Operational Program 2014-2020.

### Social Assistance

- **The SAFE Project** – Health, Accessibility, Facilitation, Education is financed through the “Public Health Challenges at European Level” program under the EEA Financial Mechanism 2014-2021, implemented by the Ministry of Health.  
The project aims to improve access to healthcare for 4,000 individuals from vulnerable groups, including 800 people from the Romani community, by developing and providing a program of socio-medical services focused on prevention and by raising awareness about the importance of health and medical services for the Bucharest population, particularly in Sector 6. This contributes to reducing health inequalities in the long term. The implementation of the SAFE Project and ensuring its sustainability for a period of 5 years were approved by **LCD no. 214/23.09.2022**.  
Project Objectives: Establishing a Radiology Department: This department will serve the long-term needs of the vulnerable population in Bucharest, with priority given to Sector 6.  
Preventive Medical Services: These include health screening and radiology services for 4,000 vulnerable individuals, including 800 Roma people, primarily from Sector 6 in Bucharest.  
Therapeutic Mental Health Services: These services will be provided for 100 individuals with psychiatric diagnoses and 50 of their caregivers.  
Training for Healthcare Personnel: Training 50 healthcare professionals to improve their skills, communication with vulnerable group members, and the provision of enhanced medical services.  
Awareness Campaign: Conducting an information and awareness campaign to increase understanding of preventive medical services among vulnerable groups, focusing on the prevention of respiratory diseases (including TB) and the health of vulnerable populations in general, with a specific emphasis on individuals with mental health issues.  
The total target group for the project consists of 4,100 people, broken down as follows:  
The main target group of the project comprises 4,000 individuals from vulnerable groups, including: 800 people of Romani ethnicity, 100 individuals with mental health issues, 3,100 individuals from other vulnerable categories (at risk of poverty, single individuals, those with medical vulnerabilities, people in areas with difficult access to healthcare services, people with disabilities (other than mental health issues), elderly people, etc.).

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

### Education

- By **LCD 2/18.01.2024**, with subsequent modifications and additions, the organization of the school network comprising state and private pre-university education units within Sector 6 of the Municipality of Bucharest for the 2023-2024 school year is approved.
- By **LCD 260/28.11.2023**, funded by the local budget through A.D.P.D.U. Sector 6, the pilot project for improving air quality and implicitly human health in Sector 6 of the Municipality of Bucharest is approved. This project involves the creation and placement of information signs with the message "For the health of children, stop the engine when stationary" near pre-university education units within Sector 6.
- By **LCD 94/16.04.2024**, the financing of the technical-economic indicators for the investment objective 'Construction of a building with the function of a nursery and organization of works on Bulevardul Timisoara no. 89, Sector 6, Bucharest Municipality' is approved. The total value of the investment is 30,213,666 RON (including VAT), the eligible amount financed through PNRR is 13,983,421 RON (including VAT), and the amount financed by U.A.T Bucharest, Sector 6 is 12,373,471 RON (including VAT).
- By **LCD 121/24.05.2024**, the technical-economic indicators for the investment objective 'Execution of construction works for a near-zero energy consumption (NZEB) building with the function of a kindergarten within the "Sfintii Constantin si Elena" Gymnasium School' are approved, with the total value of the investment being 27,711,334 RON (including VAT).
- By **LCD 122/24.05.2024**, the technical-economic indicators for the investment objective 'Capacity expansion by renovation and adding an extra floor to the existing building for the Hillary Clinton Kindergarten' are approved, with the total value of the project being 63,776,790 RON (including VAT).
- Ongoing projects for the construction and renovation of school infrastructure at the level of Sector 6, funded by the Regional Operational Program (funding contracts for the modernization of school infrastructure for 6 education units were signed in 2020 and 2021), the National Local Development Program 2017-2020 (new construction of Albina Kindergarten – Str. Rusetu no. 17, Sector 6, Bucharest), as well as within the "Sector 6 – Energy Efficiency for Public Buildings (D6EEPB)" Project, which involves NZEB-type rehabilitation of some education units and the construction of new NZEB buildings (kindergartens) and new NZEB buildings (after-school). Execution contracts have been signed, and works are already underway for 12 NZEB rehabilitation objectives for education units and 8 new NZEB building objectives (kindergartens) and new NZEB buildings (after-school).
- Children and teenagers in Sector 6 benefit from various community prevention and skill-building programs, such as: Neighborhood Camps, Parent School, You Choose! (a program to combat violence in schools and high schools), La teatrale cu matala!, Young Sports League, SocialXChange, and the "Conacul Golescu Grant" Recreation and Personal Development Center – a project that offers an alternative for leisure time, through social integration of children, involving them in artistic, cultural, sports, and technical-scientific activities (theater, modern dance, music, visual arts (painting, graphic art, modeling), chess, karate, computer science, etc.).

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

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

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

2024, 2023, 2022, 2021, 2020, 2019, 2018 - with the exception of 273 (Art. 32 and 33)

Law 273/2006

	Law of the State Budget 421/28.12.2023	Law of the State Budget 368/19.12.2022	Law of the State Budget 317/28.12.2021	Rectification of the State Budget GEO 3/09.2021	Law of the State Budget 15/2021	Rectification of the State Budget GEO 50/2020	Law of the State Budget 5/2020	Law of the State Budget 50/2019	Law of the State Budget 2/2018	02.12.2012	01.01.2011	18.07.2006
<b>Applicability:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>			
<b>BUCHAREST</b>												
Municipality of Bucharest	47%	50%	50%	50%	50%	50%	50%	49.0%	55.0%	44.5%	44.5%	47.5%
Districts of the Municipality of Bucharest	50%	50%	50%	50%	50%	50%	50%	51.0%	30.0%	20.0%	22.5%	23.5%
Ilfov: SD financing	3%											
In an separate account to the Municipality of Bucharest Treasury, for balancing the budgets				7%				0.0%	5.0%	7.0%	10.0%	11.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>90.0%</b>	<b>71.5%</b>	<b>77.0%</b>	<b>82.0%</b>
<b>Remarks; ALLOCATION MODE</b>	<p>It is divided into no. total of inhabitants of the Municipality of Bucharest and is multiplied by the number of inhabitants of each sector</p> <p>2 steps: 1. Allocation lei 2,000/capita/yea r</p> <p>2 steps: 1. Allocation lei 1,500/capita/yea r</p> <p>2 steps: 1. Allocation lei 1,400/capita/yea r</p> <p>2 steps: 1. Allocation lei 1,150/capita/yea r</p> <p>2 steps: 1. Allocation lei 1,000/capita/yea r</p> <p>2 steps: 1. Allocation lei 1,000/capita/yea r</p> <p>2 steps: 1. Ensure of a minimum operating budget of lei 1,250 in order to supplement the own revenues</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. The difference is distributed directly proportional with the estimated tax to be realized in each district</p> <p>2. Proportional to the estimated tax to be collected in 2019 at the level of each sector</p>											

### 2. General framework

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

**2018:** GEO 79/2017:

- decrease of the income tax from 16%, the level until December 2017, to 10%, from January 1, 2018;
  - amending the fiscal framework regarding the transfer of contributions from employer to employee; possible changes regarding the alignment no. of posts;
  - on certain fiscal-budgetary measures, amending and additioning certain normative acts and extending some deadlines: "Starting with 2018, from the state budget, through the budget of the Ministry of National Education, it is ensured, for the state pre-university education units, the financing of the expenses with salaries, bonuses, indemnities and other salary rights in money, established by law".
- Until 2018, these expenditures were reflected in local budgets, provided by Sums deducted from VAT for financing the expenditures

**2024: GEO 115/2023**

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



## Table of contents Section I

### Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q2 2024 vs. Q2 2023
- Revenue and expenditure structure



# Revenue and expenditure balance

at Q2 2024, as compared to Q2 2023

'000 RON



	Q2 2023	Q2 2024	%
<b>TOTAL REVENUES</b>	<b>1,174,785</b>	<b>1,035,731</b>	<b>▼ -11.8%</b>
<b>TOTAL EXPENDITURES</b>	<b>620,055</b>	<b>925,503</b>	<b>▲ 49.3%</b>
<b>Operational Revenues</b>	<b>933,901</b>	<b>900,918</b>	<b>▼ -3.5%</b>
<b>Fiscal revenues</b>	<b>919,354</b>	<b>887,396</b>	<b>▼ -3.5%</b>
Tax own revenues	803,216	761,404	▼ -5.2%
Sums deducted from the VAT	116,138	125,992	▲ 8.5%
<b>Non-fiscal revenues, out of which:</b>	<b>13,985</b>	<b>12,357</b>	<b>▼ -11.6%</b>
Non-fiscal own revenues	13,742	12,160	▼ -11.5%
Donations and sponsorships	243	197	▼ -18.9%
<b>Current subsidies</b>	<b>563</b>	<b>1,165</b>	<b>▲ 107.0%</b>
<b>Other Operational Revenues</b>	<b>0</b>	<b>0</b>	<b>▼ -769.0%</b>
<b>Operational Expenditures (OPEX), out of which:</b>	<b>420,445</b>	<b>525,339</b>	<b>▲ 24.9%</b>
Staff Costs (PEREX)	124,504	155,708	▲ 25.1%
Goods and services*	174,286	229,688	▲ 31.8%
Current transfers	36,523	46,306	▲ 26.8%
Internal transfers	13,601	21,888	▲ 60.9%
Social assistance	54,766	67,980	▲ 24.1%
Subsidies	2,264	-	-
Other expenditures	14,500	3,770	▼ -74.0%
<b>Operational result</b>	<b>513,456</b>	<b>375,579</b>	
Operational Surplus (% from OPEX)	122.1%	71.5%	
Operational Deficit (% from Op. Revenues)	-	-	
<b>Investment revenues</b>	<b>41,808</b>	<b>35,636</b>	<b>▼ -14.8%</b>
Capital revenues	1	6	▲ 397.3%
Capital subsidies	24,865	29,831	▲ 20.0%
Sums received from EU for the made payments	16,941	5,799	▼ -65.8%
<b>Investment expenditures (CAPEX), out of which:</b>	<b>129,618</b>	<b>341,399</b>	<b>▲ 163.4%</b>
Capital transfers	4,878	48,933	▲ 903.1%
Projects financed from EU	25,130	868	▼ -96.5%
PNRR	152	43,175	
Capital expenditures	99,320	248,109	▲ 149.8%
<b>The result from the investment activity</b>	<b>- 87,810</b>	<b>- 305,763</b>	
<b>Financial revenues</b>	<b>199,076</b>	<b>99,178</b>	<b>▼ -50.2%</b>
Financial operations	199,076	99,178	▼ -50.2%
<b>Financial expenditures</b>	<b>69,993</b>	<b>58,765</b>	<b>▼ -16.0%</b>
Loan related commissions	-	1	-
Interests	32,330	23,759	▼ -26.5%
Loans reimbursements	37,662	35,004	▼ -7.1%
<b>Financial result</b>	<b>129,084</b>	<b>40,413</b>	
<b>Period's result</b>	<b>554,730</b>	<b>110,229</b>	
Surplus (% out of Total expenditures)	89.5%	11.9%	
Deficit (% out of Total revenues)	-	-	
<b>Result of the period (without previous year's surplus)</b>	<b>355,654</b>	<b>26,051</b>	
Own revenues % of Operational revenues	87.5%	85.9%	
OPEX/Own revenues (%)	51.5%	67.9%	
(Operational expenditures -Staff costs, excluding Education and Social assistance) % of (Own revenues - Quotas deducted from the income tax)	42.0%	55.3%	

- ✓ At the end of the first six months of the current year, the **Operational result** shows a surplus of RON 375,579 th, representing 71.5% of the Operational expenditures, which is by RON 137,878 th below the surplus recorded in the same period of 2023. This evolution is driven by a decrease in Operational revenues (-RON 32,984 th, -3.5%), combined with an increase in Operational expenditures (+RON 104,894 th, +24.9%).
- ✓ **The result from the investment activity** registers a deficit of RON 305,763 th, generated by a rising level of Investment expenditures (+RON 211,781 th, +163.4%), while Investment revenues decreased by RON 6,172 th (-14.8%). In this context, the deficit deepens compared to the investment activity result recorded in the same period of the previous year (amounting to RON 87,810 th).
- ✓ **The financial result** marks a surplus of RON 40,413 th, which is RON 88,671 th lower than that recorded at Q2 2023 (-68.7%), due to a decrease in Financial revenues (-RON 99,898 th, -50.2%), while Financial expenditures decreased by 16%.
- ✓ Therefore, taking into account the operational and financial surpluses, the result for the period, after covering the investment activity deficit, records a surplus of RON 110,229 th by (80.1% below the surplus recorded at Q2 2023).

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

# Revenue and expenditure balance

## Functional/economic classification

'000 RON



### Payments performed at Q2 2024, as compared to Q2 2023 (Variations)

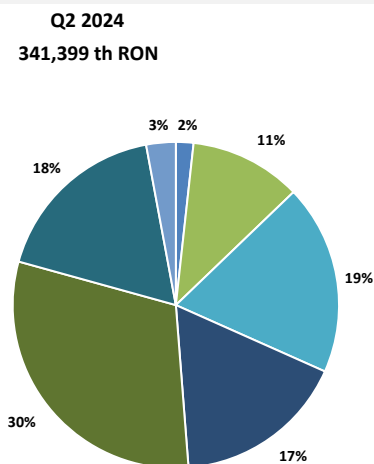
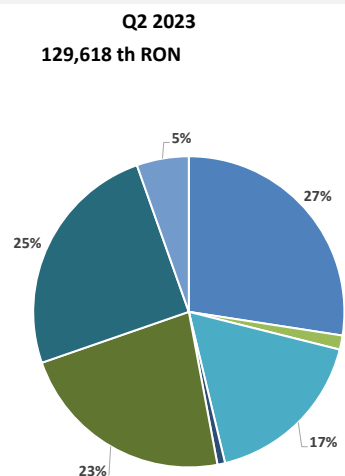
#### Operational expenditures, out of which:

Budgetary chapter	TOTAL EXPENDITURES	Total Operational Expenditures				Financial expenditures		Investment expenditures		Investment expenditures (Budget 2024)
		Staff costs	Goods and services*	Social assistance	Financial expenditures	Investment expenditures				
Public Authorities and external actions	-21,615	8,008	6,397	1,098	0	0	-29,623	109,984		
Other general public services	-892	-684	0	307	0	0	-208	361		
Transactions regarding the public debt and loans	-8,570	0	0	0	0	-8,570	0	0		
General transfers between different levels of administration	0	0	0	0	0	0	0	0		
Defense	-87	2	0	2	0	0	-89	167		
Public order and national security	7,259	7,210	0	165	0	0	50	3,071		
Education	54,537	18,616	6,730	15,988	2,302	0	35,921	409,196		
Health	-482	0	0	0	0	0	-482	31,085		
Culture, recreation and religion	62,896	23,721	3,586	19,693	0	-2,691	41,866	212,450		
Insurance and social assistance	31,866	28,171	13,418	3,962	10,912	0	3,696	25,400		
Housing, public services and development	74,159	-795	833	115	0	33	74,921	420,169		
Environment protection	73,903	16,585	0	10,268	0	0	57,318	208,490		
General economic, commercial and working actions	0	0	0	0	0	0	0	0		
Fuel and power	0	0	0	0	0	0	0	0		
Agriculture, Forestry, Fish breeding and Hunting	0	0	0	0	0	0	0	0		
Transport	32,473	4,062	240	3,804	0	0	28,412	211,769		
Other economic actions	0	0	0	0	0	0	0	0		
<b>TOTAL</b>	<b>305,448</b>	<b>104,894</b>	<b>31,204</b>	<b>55,401</b>	<b>13,214</b>	<b>-11,228</b>	<b>211,781</b>	<b>1,632,142</b>		

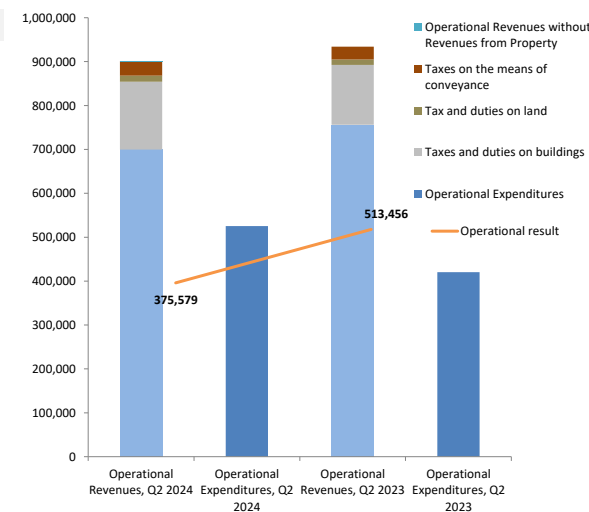
\*) Goods and services, within the Operational expenditures, does not include the Commissions and other costs related to loans, the mentioned amounts being reflected within the Financial expenditures

### Distribution of the Investment expenditures at Q2 2024, as compared to the distribution of the execution at Q2 2023

#### Investment expenditures



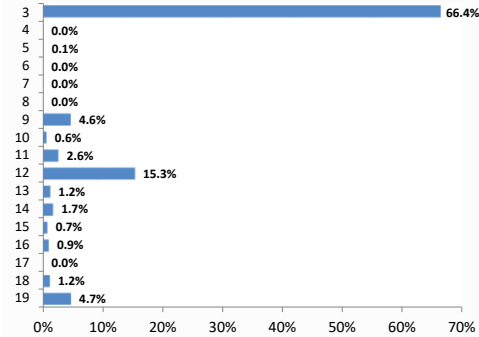
### Structure of the Operational Result (Q2 2024 vs. Q2 2023)





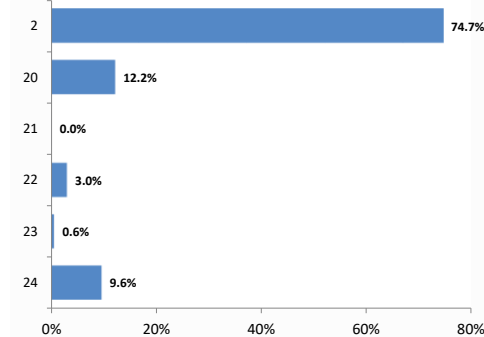
The structure of performed own revenues

773,571



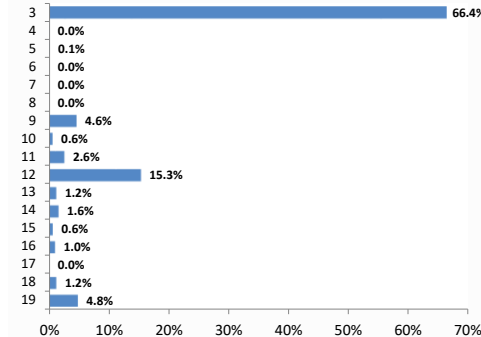
The structure of performed total revenues

1,035,731



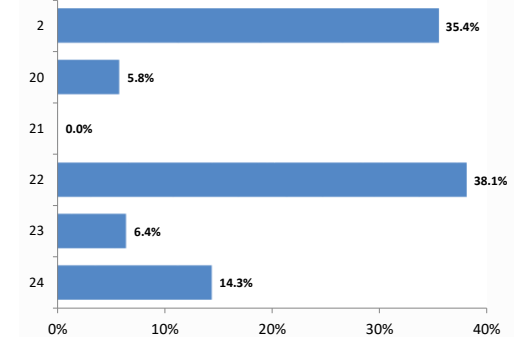
The structure of rectified own revenues

773,723



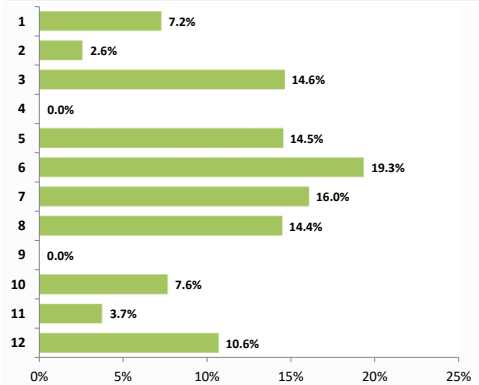
The structure of rectified total revenues

2,183,327



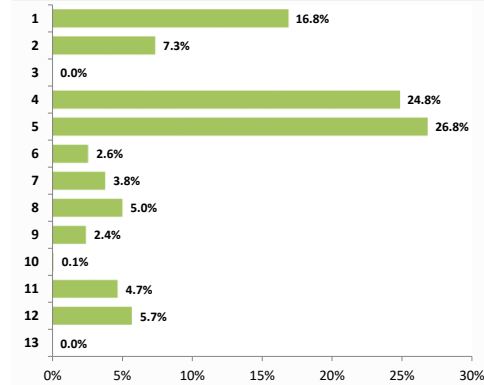
The structure of performed functional expenditure

1,035,731



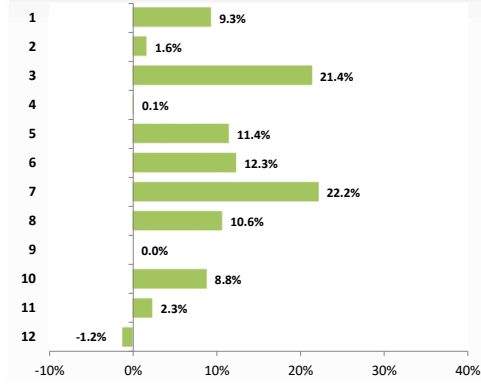
The structure performed economic expenditure

1,035,731



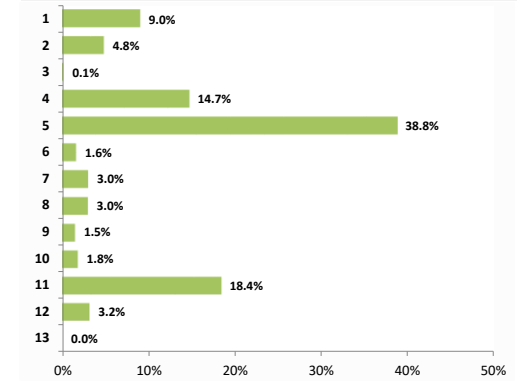
The structure of rectified functional expenditure

2,183,327



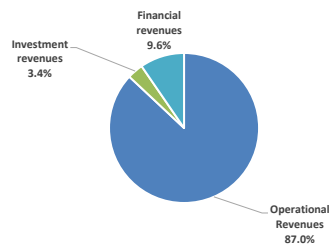
The structure of rectified economic expenditure

2,183,327

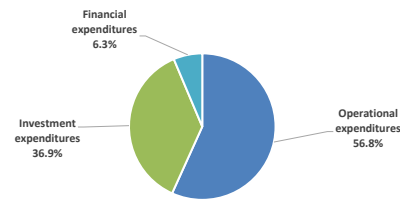


Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

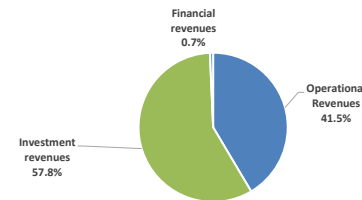
Collected revenues at Q2 2024



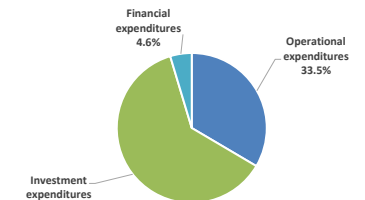
Performed expenditures at Q2 2024



Planned revenues at Q2 2024



Planned expenditures at Q2 2024





## Table of contents Section II

### Section II: Budgetary revenues

- The situation of the revenues collected at 30.06.2024
- The variation of the performed revenues at Q2 2024 compared to Q2 2023
- Budgetary provisions: the achievement degree of the revenues at Q2 2024
- Revenues ratios

# The situation of the revenues collected

at 30.06.2024

		2024						2023													
Line	Summary of the main revenues	Initial 2024	% /TR	Initial at Q2	% /TR	Rectified 2024	% /TR	Rectified at Q2	% /TR	Execution at Q2	% /TR	Initial 2023	% /TR	Initial at Q2	% /TR	Rectified 2023	% /TR	Rectified at Q2	% /TR	Execution at Q2	% /TR
1	<b>Total revenues (TR)</b>	<b>2,803,785</b>		<b>2,622,398</b>		<b>2,855,061</b>		<b>2,183,327</b>		<b>1,035,731</b>		<b>1,892,291</b>		<b>1,378,158</b>		<b>2,039,854</b>		<b>1,356,593</b>		<b>1,174,785</b>	
2	<b>Own revenues, out of which</b>	<b>1,298,567</b>	46.3%	<b>1,236,052</b>	47.1%	<b>1,303,182</b>	45.6%	<b>773,723</b>	35.4%	<b>773,571</b>	74.7%	<b>1,193,282</b>	63.1%	<b>800,538</b>	58.1%	<b>1,194,824</b>	58.6%	<b>802,808</b>	59.1%	<b>816,959</b>	69.5%
3	Quotas and amounts deducted from the income tax	984,567	35.1%	984,567	37.5%	984,567	34.5%	514,008	23.5%	514,008	49.6%	881,282	46.6%	567,995	41.2%	881,282	43.2%	567,995	41.9%	583,061	49.6%
4	Capital revenues	10	0.0%	5	0.0%	10	0.0%	6	0.0%	6	0.0%	5	0.0%	2	0.0%	5	0.0%	2	0.0%	1	0.0%
5	Revenues from concessions and rents	1,000	0.0%	500	0.0%	1,000	0.0%	457	0.0%	447	0.0%	1,000	0.1%	500	0.0%	1,000	0.0%	500	0.0%	477	0.0%
6	Payments from net profit of self-governing administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tax on revenues from the transfer of real estate from the private patrimony	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Tax on buildings from the population	42,500	1.5%	38,000	1.4%	42,500	1.5%	35,524	1.6%	35,800	3.5%	37,000	2.0%	29,500	2.1%	37,000	1.8%	29,500	2.2%	30,905	2.6%
10	Tax on land from the population	5,500	0.2%	4,500	0.2%	5,000	0.2%	4,530	0.2%	4,445	0.4%	4,600	0.2%	3,150	0.2%	4,600	0.2%	3,150	0.2%	3,838	0.3%
11	Taxes on the means of conveyance owned by population	25,000	0.9%	20,000	0.8%	24,500	0.9%	19,790	0.9%	19,914	1.9%	25,000	1.3%	19,000	1.4%	25,000	1.2%	19,000	1.4%	17,681	1.5%
12	Tax on buildings from legal entities	125,000	4.5%	110,000	4.2%	125,000	4.4%	118,602	5.4%	118,722	11.5%	125,000	6.6%	103,500	7.5%	125,000	6.1%	103,500	7.6%	105,492	9.0%
13	Tax on land from legal entities	9,000	0.3%	5,500	0.2%	10,000	0.4%	9,435	0.4%	9,361	0.9%	13,000	0.7%	9,500	0.7%	13,000	0.6%	9,500	0.7%	8,696	0.7%
14	Taxes on the means of conveyance owned by legal entities	15,000	0.5%	11,000	0.4%	15,000	0.5%	12,200	0.6%	12,910	1.2%	20,000	1.1%	13,000	0.9%	20,000	1.0%	13,000	1.0%	11,314	1.0%
15	Fees and charges for the issuance of licences and authorisations of functioning	11,000	0.4%	5,500	0.2%	11,000	0.4%	4,819	0.2%	5,604	0.5%	13,000	0.7%	7,000	0.5%	13,000	0.6%	7,000	0.5%	4,183	0.4%
16	Stamp duties, for notary work and other stamp duties	14,829	0.5%	9,000	0.3%	14,829	0.5%	7,765	0.4%	7,310	0.7%	12,608	0.7%	7,000	0.5%	12,608	0.6%	7,000	0.5%	8,162	0.7%
17	Extrajudicial stamp duties	65	0.0%	35	0.0%	-	-	-	-	-	-	30	0.0%	14	0.0%	30	0.0%	14	0.0%	33	0.0%
18	Revenues from fines and other legal sanctions	18,000	0.6%	11,100	0.4%	18,000	0.6%	9,423	0.4%	8,900	0.9%	19,000	1.0%	10,000	0.7%	19,000	0.9%	10,000	0.7%	8,437	0.7%
19	Other own revenues	47,096	1.7%	36,345	1.4%	51,776	1.8%	37,164	1.7%	36,143	3.5%	41,757	2.2%	30,377	2.2%	43,299	2.1%	31,919	2.4%	34,679	3.0%
20	<b>Sums deducted from the VAT for the local budgets</b>	<b>237,825</b>	8.5%	<b>118,953</b>	4.5%	<b>246,188</b>	8.6%	<b>125,992</b>	5.8%	<b>125,992</b>	12.2%	<b>135,698</b>	7.2%	<b>71,042</b>	5.2%	<b>220,864</b>	10.8%	<b>116,138</b>	8.6%	<b>116,138</b>	9.9%
21	<b>Donations and sponsorships</b>	<b>98</b>	0.0%	<b>98</b>	0.0%	<b>172</b>	0.0%	<b>172</b>	0.0%	<b>197</b>	0.0%	<b>209</b>	0.0%	<b>209</b>	0.0%	<b>233</b>	0.0%	<b>233</b>	0.0%	<b>243</b>	0.0%
22	<b>Subsidies received from the State Budget</b>	<b>852,817</b>	30.4%	<b>852,817</b>	32.5%	<b>852,535</b>	29.9%	<b>830,849</b>	38.1%	<b>30,995</b>	3.0%	<b>364,677</b>	19.3%	<b>364,042</b>	26.4%	<b>309,077</b>	15.2%	<b>236,873</b>	17.5%	<b>25,428</b>	2.2%
22.1	capital	851,087	30.4%	851,087	32.5%	850,805	29.8%	829,908	38.0%	29,831	2.9%	363,747	19.2%	363,747	26.4%	306,869	15.0%	236,151	17.4%	24,865	2.1%
22.2	current	1,730	0.1%	1,730	0.1%	1,730	0.1%	941	0.0%	1,165	0.1%	930	0.0%	295	0.0%	2,208	0.1%	722	0.1%	563	0.0%
23	<b>Sums received from the EU for the made payments</b>	<b>121,174</b>	4.3%	<b>121,174</b>	4.6%	<b>139,598</b>	4.9%	<b>139,598</b>	6.4%	<b>5,799</b>	0.6%	<b>195,877</b>	10.4%	<b>139,779</b>	10.1%	<b>305,108</b>	15.0%	<b>191,520</b>	14.1%	<b>16,941</b>	1.4%
24	<b>Other revenues</b>	<b>293,304</b>	10.5%	<b>293,304</b>	11.2%	<b>313,387</b>	11.0%	<b>312,994</b>	14.3%	<b>99,178</b>	9.6%	<b>2,548</b>	0.1%	<b>2,548</b>	0.2%	<b>9,748</b>	0.5%	<b>9,748</b>	0.7%	<b>199,076</b>	16.9%
		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR	
<b>Operational Revenues</b>		1,542,710	55.0%	1,361,328	51.9%	1,551,147	54.3%	905,322	41.5%	900,918	87.0%	1,332,662	70.4%	874,630	63.5%	1,427,872	70.0%	928,919	68.5%	933,901	79.5%
<b>Investment revenues</b>		1,261,075	45.0%	1,261,070	48.1%	1,288,914	45.1%	1,263,005	57.8%	35,636	3.4%	559,629	29.6%	503,528	36.5%	611,982	30.0%	427,674	31.5%	41,808	3.6%
<b>Financial revenues</b>		-	-	-	-	15,000	0.5%	15,000	0.7%	99,178	9.6%	-	-	-	-	-	-	-	-	199,076	16.9%
<b>Total Revenues of the Operating Section</b>		1,290,195	46.0%	1,196,329	45.6%	1,307,097	45.8%	662,197	30.3%	680,198	65.7%	1,124,484	59.4%	736,995	53.5%	1,154,841	56.6%	817,332	60.2%	928,492	79.0%
<b>Total Revenues of the Development Section</b>		1,513,590	54.0%	1,426,069	54.4%	1,547,964	54.2%	1,521,130	69.7%	355,534	34.3%	767,807	40.6%	641,163	46.5%	885,014	43.4%	539,260	39.8%	246,293	21.0%
<b>Previous surplus, out of which:</b>		-	-	-	-	-	-	-	-	84,178	-	-	-	-	-	-	-	-	-	199,076	-
<b>Total Revenues of the period (without previous surplus)</b>		2,803,785		2,622,398		2,855,061		2,183,327		951,553		1,892,291		1,378,158		2,039,854		1,356,593		975,709	

\*) %TRC - Represents the weight of each line in Total Revenues Collected;

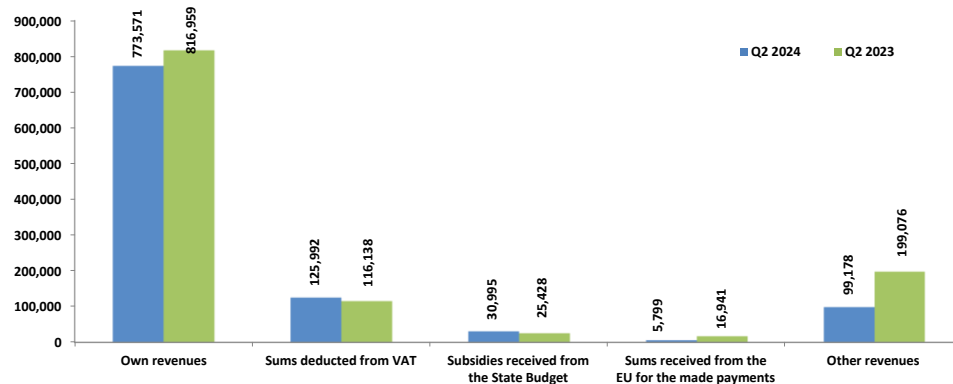
		2024		2023	
Revenues from tax on property		222,000	7.9%	189,000	7.2%
9 + 12	Taxes and duties on buildings	167,500	6.0%	148,000	5.6%
10 + 13	Tax and duties on land	14,500	0.5%	10,000	0.4%
11 + 14	Taxes on the means of conveyance	40,000	1.4%	31,000	1.2%
	Tax on property from the population	73,000	2.6%	62,500	2.4%
	Tax on property from the legal entities	149,000	5.3%	126,500	4.8%
		200,081	9.2%	150,000	5.3%
		201,152	19.4%	140,993	13.6%
		224,600	11.9%	158,000	8.3%
		177,650	12.9%	126,000	9.1%
		224,600	11.0%	158,000	7.7%
		177,650	13.1%	126,000	9.3%
		177,927	15.1%	125,502	10.7%

# The variation of the performed revenues at Q2 2024 compared to Q2 2023

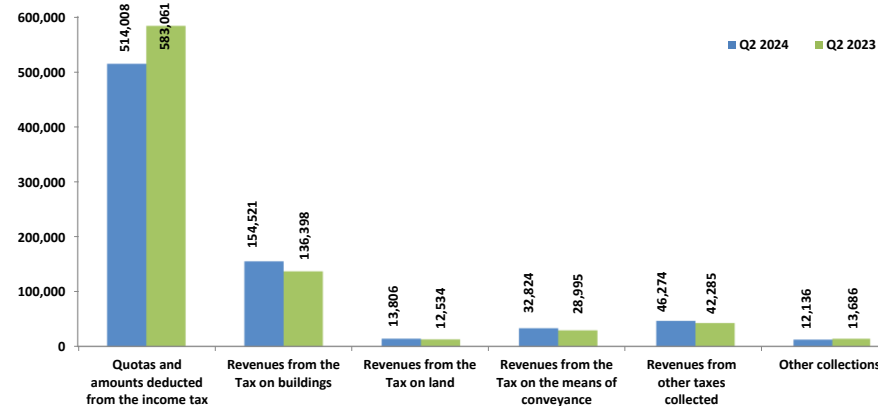
'000 RON



Total revenues variation



Own revenues variation



The revenues collected to the local budget decreased by 2.5%, respectively by RON 24,155 th, up to RON 951,553 th. If we also take into account the amounts used from the previous surplus (amounting to RON 84,178 th at Q2 2024, respectively RON 199,076 th at Q2 2023), total revenues mark a decrease of RON 139,054 th (-11.8%) compared to those recorded in the similar period of the previous year.

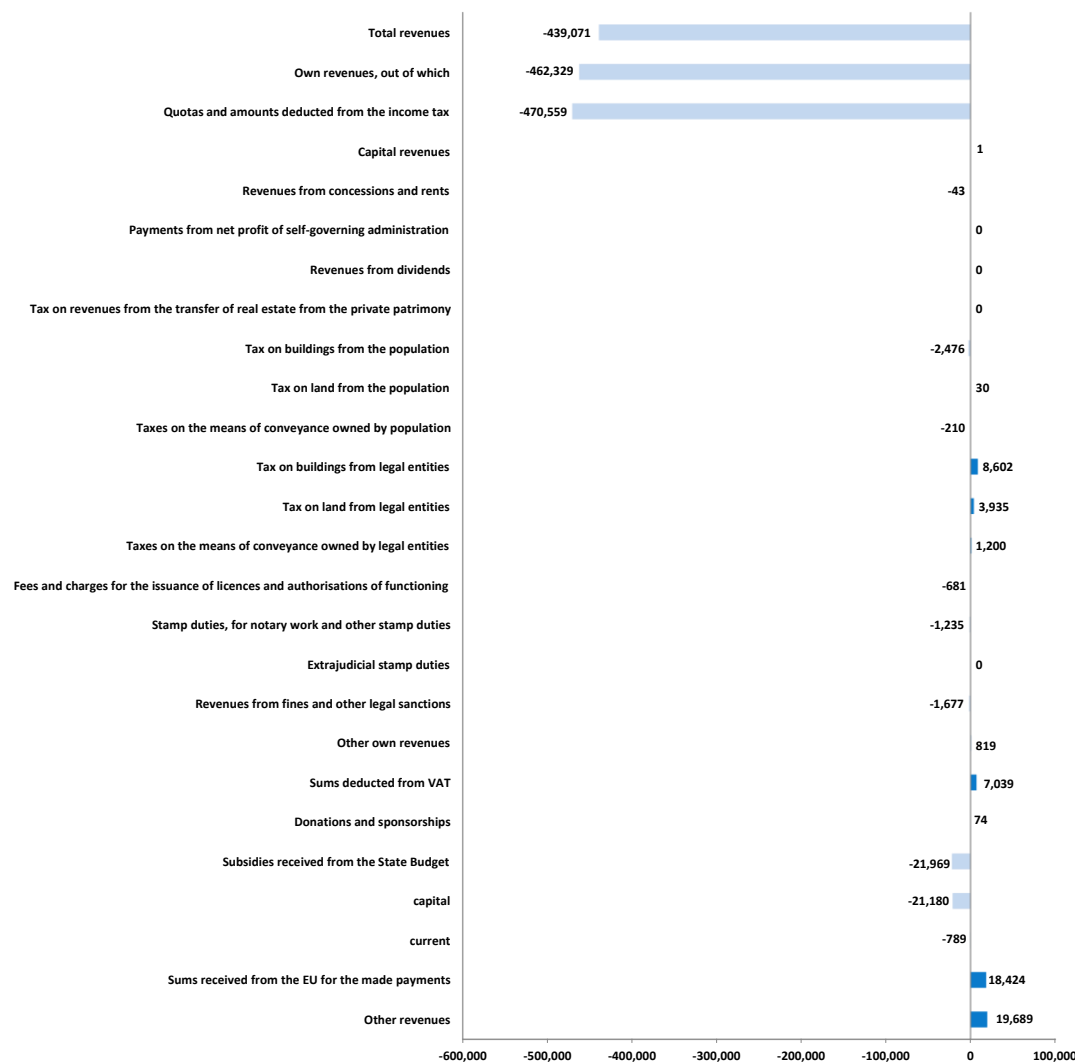
- In the **Other revenues** group, receipts of RON 99,898 th are recorded below the level of those collected in the similar period of the previous year, represented by the decrease in the Sums from the local budget surplus used for financing the development expenditures (-RON 114,898 th, -57.7%) and by the recording of receipts from the Cash in of other loans reimbursements in the amount of RON 15,000 th, without such amounts at Q2 2023;
- At the level of **Own revenues**, there was a decrease of 5.3%, respectively by RON 43,388 th;
- Also, **Sums received from EU for the made payments** decreased by RON 11,143 th, fully at the level of the 2014-2020 financial framework, mainly with influences from the European Fund for Regional Development (-RON 13,786 th, -85.9%) and the European Social Fund (+RON 2,415 th, +321.2%);
- Sums deducted from VAT** increased by RON 9,854 th (+8.5%). This dynamic comes from Financing of private or confessional accredited education (+RON 8,426 th, +47.6%), for financing Sums deducted from VAT for financing expenditures at districts level (+RON 2,020 th, +2.1%) and Sums deducted from VAT for balancing the local budget (-RON 592 th, -50.1%);
- The revenues related to the **Subsidies received from the State Budget** increased by RON 5,567 th, the influences being observed mainly at the capital level, respectively through the increase of the Allocations of PNRR amounts related to non-reimbursable financial assistance (+RON 6,209 th, +27.7%) and the 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 1,064 th, +806.2%). In contrast, there is a lack of Subsidies for the thermal rehabilitation for housing buildings (amounting to RON 2,307 th at Q2 2023). At the level of current subsidies, there is an increase in receipts related to Other rights for disability and adoption (+RON 598 th, +107.4%);

- Own revenues** reached RON 773,571 th in the reporting period, and the most important influences determining the decrease of the group are found at the level of the following categories of revenues:

- Quotas and amounts deducted from the income tax**, with a decrease of RON 69,052 th (-11.8%). Sums allocated from the quotas deducted from income tax to balance the local budgets, which represent the total receipts in this group at Q2 2024, are noteworthy;
- Other collections** decreased by RON 1,550 th (-11.3%) and major influences from Payments from revenues and/or availabilities for public institutions in the amount of RON 1,542 th (without such amounts collected at Q2 2024), Other revenues (-RON 418 th, -42.3%), Revenues from fines and other legal sanctions (+RON 463 th, +5.5%);
- Revenues from tax on property** increased by RON 23,225 th (+13.1%), due to amounts collected from legal entities (+RON 15,491 th, +12.3%) and population (+RON 7,735 th, +14.8%). The significant increase in these revenues is determined by the level of the Tax on buildings (+RON 18,124 th, +13.3%), on means of conveyance (+RON 3,829 th, +13.2%) and on land (+RON 1,272 th, +10.1%);
- Revenues from other taxes collected**, with an increase of RON 3,989 th (+9.4%), mainly determined by the increase in revenues from Other taxes and duties (+RON 3,137 th, +11.5%), from Fees and charges for the issuance of functioning licenses and authorizations (+RON 1,421 th, +34%) and from Other taxes and duties on property (+RON 365 th, +18.5%) and the decrease of those in Stamp duties for notary work and other stamp duties (-RON 852 th, -10.4%).



### Revenues rectification, as compared to the initial budget of 2024



The final provisions for the first six months of 2024 (approved by HCL no. 164/27.06.2024) estimate a decrease in revenues collected by RON 439,071 th (-16.7%) compared to their value included in the initial budget. The dynamics are observed at:

- Operational Revenues**, provisions decreased by RON 456,006 th (-33.5%) are included, as follows:
  - The amounts related to the Quotas and amounts deducted from the income tax were estimated by RON 470,559 th (-47.8%) below those initially planned, entirely at the level of the Sums allocated from the quotas deducted from income tax to balance the local budgets;
  - For Other collections, amounts below the level of the initial ones were provided, by reducing the final provisions related to the income from fines and Revenues from fines and other legal sanctions (-RON 1,677 th, -15.1%), Other revenues (-RON 507 th, -36.2%), the maintenance Contribution for the upkeep of assisted persons (-RON 234 th, -31.2%) and the Contribution of parents and legal guardians for the upkeep of children in nurseries (-RON 193 th, -12.1%);
  - In the final budget, the provisions for Current subsidies (-RON 789 th, -45.6%) were reduced, mainly at the level of Other rights for disability and adoption (-RON 777 th, -45.7%);
  - The provisions for Revenues from other taxes collected were reduced, the dynamics being mainly reflected at the level of Stamp duties, for notary work and other stamp duties (-RON 1,235 th, -13.7%), Fees and charges for the issuance of licences and authorisations of functioning (-RON 681 th, -12.4%), Other taxes and duties (+RON 1,757 th, +6.1%);
  - The estimates related to Revenues from Tax on property were increased by RON 11,081 th (+5.9%), the dynamics being reflected at the level of the Tax and tax on buildings (+RON 6,126 th, +4.1%), on land (+RON 3,965 th, +39.7%) and on means of conveyance (+RON 990 th, +3.2%);
  - Sums deducted from VAT were estimated by the adjusted budget at the value of RON 125,992 th, being by 5.9% above the initial provisions (+RON 7,039 th), mostly at the level of those for Sums deducted from VAT for financing expenditures at districts level (+RON 5,714 th, +6.1%) and for Financing of private or confessional accredited education (+RON 1,325 th, +5.3%).



- **Investment revenues**, the provisions rectified at Q2 2024 are increased by RON 1,935 th (+0.2%) compared to the initial ones, at the level of:
  - Sums received from EU for the made payments (+RON 18,424 th, +15.2%): European Social Fund (+RON 15,886 th, +13.1%), European Regional Development Fund (with final provisions in the amount of RON 2,162 th, such amounts not being initially estimated);
  - Sums allotted from the amounts obtained from auctioning of greenhouse gas emission certificates for financing the investment projects (final provisions in the amount of RON 7,175 th, without such amounts initially estimated);
  - Capital subsidies (-RON 21,180 th, -2.5%): Subsidies from the state budget to local budgets for the "Anghel Saligny" National Investment Program (-RON 13,097 th, -3%), Allocations of PNRR amounts related to non-reimbursable financial assistance (-RON 7,820 th, -3.5%), Allocations of PNRR amounts related to the loan component (-RON 846 th, -0.4%), 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 583 th, +116.6%);
  - Subsidies received in the base of partnership or association contracts for the development sector (-RON 2,486 th, -0.9%).
- **Financial revenues**, within this group of revenues, it is noted the registration of final provisions in the amount of RON 15,000 th for Cash in of other loans reimbursements, without such amounts estimated in the initial budget.

---

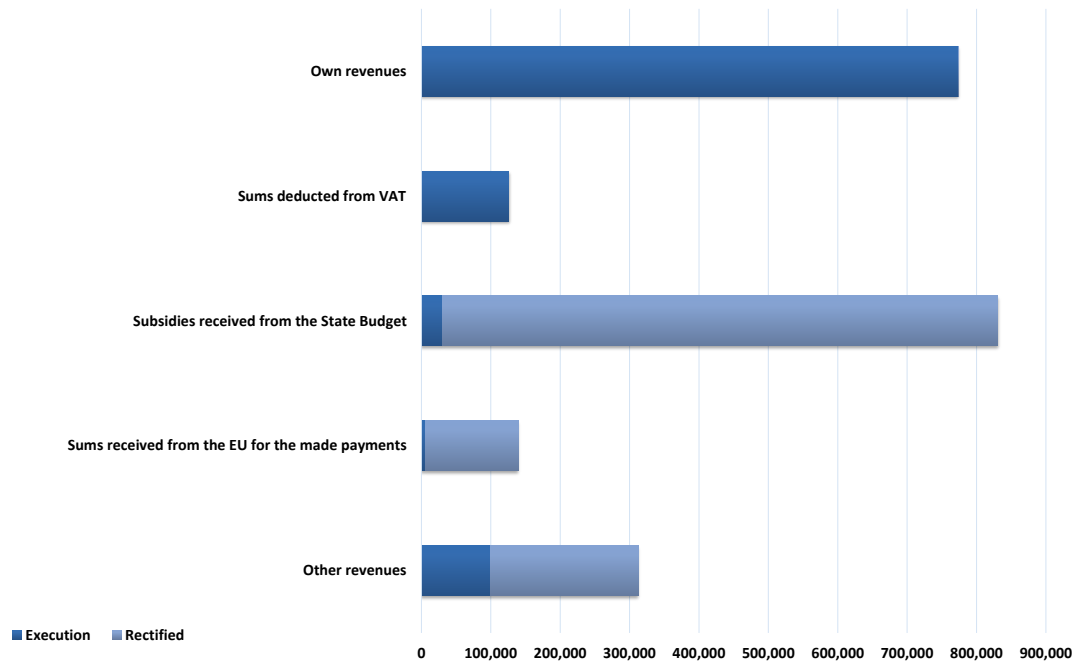
The annual revenues estimated by the last budget amendment at Q2 2024 are RON 51,276 th (+1.8%) above the level planned at the beginning of the year. The dynamics are reflected as follows:

- At the level of **Operational Revenues**, an increase of RON 8,437 th (+0.5%) is foreseen up to RON 1,551,147 th, thus, mainly by increasing the final provisions related to Sums deducted from VAT by RON 8,363 th (+3.5%) as follows: Sums deducted from VAT for financing expenditures at districts level (+RON 5,714 th, +3.1%) and for Amounts deducted from the VAT for financing the private and confessional education (+RON 2,649 th, +5.3%).
- For **Investment revenues**, the budget amendment provided for their increase by RON 27,839 th (+1.8%), the dynamics being reflected in the level of Sums received from the EU for the made payments (+RON 18,424 th, +15.2%), Subsidies received from other administrations (+RON 5,082 th, +1.8%), Capital subsidies (-RON 283 th).
- **Financial revenues**, within this group of revenues, it is noted the registration of final provisions in the amount of RON 15,000 th for Cash in of other loans reimbursements, without such amounts estimated in the initial budget.





### Achievement degree compared to the final provisions



The total revenues collected to the local budget at the end of the reporting period are by RON 1,147,596 th below the level of the final budget provisions, thus marking a degree of achievement of 47.4%. If we also take into account the amounts from the local budget surplus used to finance the expenses of the development section, in the amount of RON 84,178 th, the level of revenues collected at Q2 2024 is RON - 1,231,774 th below the provisions of the final budget (execution rate of 43.6%).

- **Investment revenues** are by RON 1,227,369 th below the estimated level (execution rate of 2.8%), respectively a dynamic determined by:
  - Capital subsidies, lower by RON 800,077 th (achievement rate of 3.6%) compared to the rectified budgetary provisions, the influences coming from: Subsidies from the state budget to local budgets for the "Anghel Saligny" National Investment Program (in the amount of RON 417,947 th in the rectified budget, but without amounts collected at Q2 2024), Allocations of PNRR amounts related to non-reimbursable financial assistance (in the amount of RON 216,007 th in the budget rectified, without receipts), to the Allocations of PNRR amounts related to the loan component (-RON 166,235 th, -85.3%);
  - The final budget included Subsidies received in the base of partnership or association contracts, for the development section in the amount of RON 286,319 th and Sums allotted from the amounts obtained from auctioning of greenhouse gas emission certificates for financing the investment projects in the amount of RON 7,175 th (without executed amounts);
  - Sums received from the EU for the made payments, lower by RON 133,799 th (realization rate of 4.2%). This decrease is mainly influenced by receipts by 97.7% below the provisions for the European Social Fund (-RON 133,893 th).

- **Operational revenues** are by RON 4,405 th below the level estimated in the budget, with an execution rate of 99.5%. The structure of the budget execution is influenced in the analyzed interval by the following categories of revenues:
  - The final budget included Other subsidies received from the central administration for the financing of some activities worth RON 4,500 th, without such various at Q2 2024;
  - Other collections lower by RON 877 th (achievement rate of 93.3%) compared to the budget provisions, taking into account the dynamics of the allocations for Revenues from fines and other legal sanctions (-RON 523 th, -5.6%), Other revenues (-RON 323 th, -36.1%), Contribution for the upkeep of assisted persons (-RON 110 th, -21.4%), Contribution of parents and legal guardians for the upkeep of children in nurseries (+RON 243 th, +17.3%);
  - Revenues from other taxes collected lower by RON 347 th compared to the final provisions (99.3% achievement rate), taking into account the collections for: Stamp duties, for notary work and other stamp duties (-RON 455 th, -5.9%), Other taxes and duties (-RON 334 th, -1.1%), Other taxes and duties on property (-RON 256 th, -9.9%), Fees and charges for the issuance of functioning licenses and authorizations (+RON 785 th, +16.3%);
  - Revenues from tax on property are above the final provisions by RON 1,071 th (100.5% achievement rate) at the level of property tax from legal entities (+RON 756 th, +0.5%) and from population (+RON 315 th, +0.5%). The significant increase in these revenues is determined by the level of the Tax on means of conveyance (+RON 834 th, +2.6%), on buildings (+RON 395 th, +0.3%) and on land (-RON 159 th, +1.1%);
  - The revenues related to Current subsidies were by RON 224 th above the level of the final provisions (achievement rate of 123.8%). The dynamics were observed mainly at the level of Other rights for disability and adoption (+RON 231 th, +23.8%).
- **The financial revenues** amounted to RON 15,000 th, fully represented by the proceeds from the Cash in of other loans reimbursements (achievement degree of 100%).

## Revenues ratios

at Q2 2024, as compared to Q2 2023

'000 RON



Ratios	Q2 2024	Q2 2023
<b>Revenues from tax on property</b>	<b>201,152</b>	<b>177,927</b>
Revenues per Capita*	506	447
The revenue weight in the total revenues	19.4%	15.1%
<b>Tax own revenues</b>	<b>761,404</b>	<b>803,216</b>
Revenues per Capita*	1,915	2,019
The revenue weight in the total revenues	73.5%	68.4%
<b>Total current revenues (autonomous)</b>	<b>899,753</b>	<b>933,338</b>
Revenues per Capita*	2,263	2,346
The revenue weight in the total revenues	86.9%	79.4%
<b>Operational revenues</b>	<b>900,918</b>	<b>933,901</b>
Revenues per Capita*	2,266	2,347
The revenue weight in the total revenues	87.0%	79.5%
<b>Investment revenues</b>	<b>35,636</b>	<b>41,808</b>
Revenues per Capita*	90	105
The revenue weight in the total revenues	3.4%	3.6%
<b>Total revenues per Capita*</b>	<b>2,605</b>	<b>2,953</b>
<b>Own revenues per capita*</b>	<b>1,946</b>	<b>2,053</b>
<b>The level of financing from the own revenues</b>	<b>74.7%</b>	<b>69.5%</b>
<b>The degree of self-financing</b>	<b>74.7%</b>	<b>69.5%</b>
<b>The degree of dependency of the local budget compared to the state bur</b>	<b>64.8%</b>	<b>61.7%</b>
<b>The degree of decisional autonomy</b>	<b>74.7%</b>	<b>69.6%</b>
<b>The degree of achievement of the revenues from the initial budget</b>	<b>39.5%</b>	<b>85.2%</b>
<b>The degree of achievement of the revenues from the final budget</b>	<b>47.4%</b>	<b>86.6%</b>
<b>The degree of achievement of the own revenues from the initial budget</b>	<b>62.6%</b>	<b>102.1%</b>
<b>The degree of achievement of the own revenues from the final budget</b>	<b>100.0%</b>	<b>101.9%</b>
<b>The degree of achievement of the property taxes from the initial budget</b>	<b>106.4%</b>	<b>100.2%</b>
<b>The degree of achievement of the property taxes from the final budget</b>	<b>100.5%</b>	<b>100.2%</b>
<b>The annual estimate from the local tax revenues (maximum probability)</b>	<b>317,174</b>	<b>278,677</b>
<b>The annual estimate from the local tax revenues (final budget)</b>	<b>286,831</b>	<b>286,110</b>
<b>The degree of achievement of the annual estimate from the local tax rev</b>	<b>90.4%</b>	<b>102.7%</b>
<b>The collection degree from the initial budget of the revenues from:</b>	<b>62.4%</b>	<b>102.1%</b>
Quotas deducted from the income tax	0.0%	0.0%
Tax on buildings from the population	94.2%	104.8%
Tax on land from the population	98.8%	121.9%
Taxes on the means of conveyance from the population	99.6%	93.1%
Taxes on buildings from legal entities	107.9%	101.9%
Taxes on land from legal entities	170.2%	91.5%
Capita,	<b>397,548</b>	<b>397,847</b>
as of:	1/1/2023	1/1/2022

\*The revenues per Capita are represented in RON

- ✓ **Revenues from tax on property** increased by RON 23,225 th (+13.1%), due to higher revenues from Tax on buildings (+RON 18,124 th, +13.3%), on means of transport (+RON 3,829 th, +13.2%) and on land (+RON 1,272 th, +10.1%).
- ✓ **Tax own revenues** are lower by RON 41,811 th (-5.2%) mainly as a result of:
  - Decrease of the Sums allocated from the quotas deducted from income tax to balance the local budgets by RON 69,052 th (-11.8%);
  - Increase of Revenues from tax on property;
  - Increase in revenues from Other taxes and duties (+RON 3,137 th, +11.5%);
  - Increase in revenues from Fees and charges for the issuance of functioning licenses and authorizations (+RON 1,421 th, +34%).
- ✓ **Total current revenues (autonomous)** register a level by RON 33,585 th (-3.6%) lower, as a result of:
  - Fiscal revenues, decreased by RON 31,957 th (-3.5%), with influences from Tax own revenues and Sums deducted from the VAT (+RON 9,854 th, +8.5%);
  - Non-fiscal revenues, lower by RON 1,628 th (-11.6%), mainly due to the decrease in revenues from Various revenues (-RON 1,929 th, -74.2%) and the increase for Fines, penalties and confiscations (+RON 389 th, +4.6%).
- ✓ The **Operational revenues** collected in the analyzed period are RON 32,984 th (-3.5%) lower, the evolution being determined by a decreased level of Current revenues (-RON 33,585 th, -3.6%) and an increase in Current subsidies (+RON 602 th, +107%).
- ✓ **Investment revenues** is RON 6,172 th (-14.8%) lower. These revenues are mainly related to the Sums received from the EU for the made payments (-RON 11,143 th, -65.8%), respectively the increase in Capital subsidies (+RON 4,966 th, +20%).



## Table of contents Section III

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

- The situation of the expenditures performed at 30.06.2024
- The variation of the performed expenditures at Q2 2024 vs. Q2 2023
- Budgetary provisions: the achievement degree of the revenues at Q2 2024

The situation of the expenditures incurred  
at 30.06.2024

'000 RON



		2024						2023													
Line	Expenditures	Initial 2024	% /TP	Initial at Q2	% /TP	Rectified 2024	% /TP	Rectified at Q2	% /TP	Execution at Q2	% /TP	Initial 2023	% /TP	Initial at Q2	% /TP	Rectified 2023	% /TP	Rectified at Q2	% /TP	Execution at Q2	% /TP
<b>Functional classification</b>		<b>2,803,785</b>		<b>2,622,398</b>		<b>2,855,061</b>		<b>2,183,327</b>		<b>1,035,731</b>		<b>1,892,291</b>		<b>1,378,158</b>		<b>2,039,854</b>		<b>1,356,593</b>		<b>1,174,785</b>	
1	Public authorities and external actions	272,562	9.4%	203,609	10.5%	290,436	9.9%	205,789	9.3%	67,051	7.2%	290,997	13.9%	200,593	13.3%	284,812	12.7%	235,330	14.4%	88,666	14.3%
2	Transactions regarding the public debt (interests and commissions)	50,010	1.7%	36,010	1.9%	50,010	1.7%	36,010	1.6%	23,761	2.6%	94,001	4.5%	61,126	4.1%	94,001	4.2%	61,126	3.7%	32,330	5.2%
3	Education	540,796	18.7%	329,786	17.1%	620,559	21.1%	472,142	21.4%	134,821	14.6%	325,158	15.5%	253,663	16.9%	380,150	17.0%	305,026	18.6%	80,285	12.9%
4	Health	4,855	0.2%	1,641	0.1%	31,085	1.1%	1,741	0.1%	121	0.0%	6,061	0.3%	2,470	0.2%	4,993	0.2%	1,574	0.1%	604	0.1%
5	Culture, recreation and religion	360,042	12.5%	253,594	13.1%	354,683	12.1%	252,709	11.4%	133,977	14.5%	198,864	9.5%	113,102	7.5%	194,093	8.7%	116,396	7.1%	71,082	11.5%
6	Insurance and social assistance	370,980	12.8%	274,993	14.2%	366,554	12.5%	271,841	12.3%	178,757	19.3%	319,374	15.3%	227,547	15.1%	323,142	14.4%	232,471	14.2%	146,890	23.7%
7	Housing, public service and development	593,776	20.6%	406,939	21.1%	523,162	17.8%	489,782	22.2%	148,368	16.0%	310,866	14.9%	256,000	17.0%	317,446	14.2%	272,310	16.6%	74,209	12.0%
8	Environment protection	371,846	12.9%	197,406	10.2%	388,100	13.2%	235,108	10.6%	133,490	14.4%	293,659	14.0%	231,934	15.4%	369,821	16.5%	268,808	16.4%	59,587	9.6%
9	Fuel and power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Transport	245,829	8.5%	176,868	9.2%	236,571	8.0%	194,249	8.8%	70,540	7.6%	179,880	8.6%	111,103	7.4%	195,124	8.7%	95,572	5.8%	38,067	6.1%
11	Other expenditures	77,267	2.7%	50,664	2.6%	78,078	2.7%	51,290	2.3%	34,617	3.7%	72,508	3.5%	45,621	3.0%	75,348	3.4%	48,709	3.0%	28,337	4.6%
12	Reserves, Surplus / Deficit	- 84,178		690,888		- 84,178		- 27,335		110,229		- 199,076		- 125,000		- 199,076		- 280,729		554,730	
<b>Economic classification</b>		<b>2,803,785</b>		<b>2,622,398</b>		<b>2,855,061</b>		<b>2,183,327</b>		<b>1,035,731</b>		<b>1,892,291</b>		<b>1,378,158</b>		<b>2,039,854</b>		<b>1,356,593</b>		<b>1,174,785</b>	
1	Staff costs	315,280	10.9%	209,336	10.8%	340,193	11.6%	199,472	9.0%	155,708	16.8%	282,700	13.5%	175,667	11.7%	281,511	12.6%	170,731	10.4%	124,504	20.1%
1.1	without those for Education and Insurance and social assistance	129,630	4.5%	81,152	4.2%	144,445	4.9%	67,281	3.0%	58,289	6.3%	105,685	5.1%	64,378	4.3%	105,767	4.7%	59,632	3.6%	47,233	7.6%
2	Social assistance	138,718	4.8%	102,075	5.3%	143,700	4.9%	106,624	4.8%	67,980	7.3%	113,275	5.4%	81,964	5.5%	113,922	5.1%	82,628	5.0%	54,766	8.8%
3	Subsidies	-	-	-	-	3,000	0.1%	3,000	0.1%	-	-	5,171	0.2%	4,171	0.3%	5,171	0.2%	4,171	0.3%	2,264	0.4%
4	Goods and services	476,955	16.5%	313,598	16.2%	472,431	16.1%	324,843	14.7%	229,689	24.8%	423,584	20.3%	258,304	17.2%	401,003	17.9%	272,364	16.6%	174,286	28.1%
5	Capital expenditures	1,034,911	35.8%	692,171	35.8%	1,014,390	34.5%	858,493	38.8%	248,109	26.8%	458,610	21.9%	287,765	19.1%	446,946	20.0%	291,140	17.8%	99,320	16.0%
6	Interests	50,000	1.7%	36,000	1.9%	50,000	1.7%	36,000	1.6%	37,759	2.6%	94,000	4.5%	61,125	4.1%	94,000	4.2%	61,125	3.7%	32,330	5.2%
7	Loans reimbursements	77,500	2.7%	68,000	3.5%	77,500	2.6%	66,543	3.0%	35,004	3.8%	82,700	4.0%	51,400	3.4%	82,700	3.7%	51,400	3.1%	37,662	6.1%
8	Current transfers	160,352	5.6%	78,217	4.0%	145,653	5.0%	65,907	3.0%	46,306	5.0%	76,052	3.6%	52,617	3.5%	88,070	3.9%	53,540	3.3%	36,523	5.9%
9	Internal transfers	59,472	2.1%	56,128	2.9%	62,359	2.1%	32,892	1.5%	22,284	2.4%	-	-	-	-	42,107	1.9%	27,098	1.7%	13,999	2.3%
10	Projects financed from non-reimbursable external funds	46,589	1.6%	41,312	2.1%	39,886	1.4%	39,886	1.8%	868	0.1%	197,139	9.4%	191,072	12.7%	274,896	12.3%	273,506	16.7%	25,130	4.1%
11	Projects financed from national funds (PNRR)	420,761	14.6%	254,182	13.2%	476,142	16.2%	406,943	18.4%	43,175	4.7%	227,564	10.9%	227,564	15.1%	249,987	11.2%	249,987	15.3%	152	0.0%
12	Other expenditures	107,425	3.7%	80,491	4.2%	113,984	3.9%	70,060	3.2%	52,621	5.7%	130,573	6.2%	111,510	7.4%	158,617	7.1%	99,631	6.1%	19,119	3.1%
13	Reserves, Surplus / Deficit	- 84,178		690,888		- 84,178		- 27,335		110,229		- 199,076		- 125,000		- 199,076		- 280,729		554,730	
<b>Total payments (TP) (total expenditures performed without considering the periods' result)</b>		<b>2,887,963</b>		<b>1,931,509</b>		<b>2,939,239</b>		<b>2,210,662</b>		<b>925,503</b>		<b>2,091,368</b>		<b>1,503,158</b>		<b>2,238,931</b>		<b>1,637,321</b>		<b>620,055</b>	
<b>Operational expenditures</b>		<b>1,162,685</b>	<b>40.3%</b>	<b>766,477</b>	<b>39.7%</b>	<b>1,179,587</b>	<b>40.1%</b>	<b>740,071</b>	<b>33.5%</b>	<b>525,339</b>	<b>56.8%</b>	<b>947,783</b>	<b>45.3%</b>	<b>604,641</b>	<b>40.2%</b>	<b>978,140</b>	<b>43.7%</b>	<b>641,733</b>	<b>39.2%</b>	<b>420,445</b>	<b>67.8%</b>
<b>Investment expenditures</b>		<b>1,597,768</b>	<b>55.3%</b>	<b>1,061,022</b>	<b>54.9%</b>	<b>1,632,142</b>	<b>55.5%</b>	<b>1,368,038</b>	<b>61.9%</b>	<b>341,399</b>	<b>36.9%</b>	<b>966,884</b>	<b>46.2%</b>	<b>785,992</b>	<b>52.3%</b>	<b>1,084,090</b>	<b>48.4%</b>	<b>883,062</b>	<b>53.9%</b>	<b>129,618</b>	<b>20.9%</b>
<b>Financial expenditures</b>		<b>127,510</b>	<b>4.4%</b>	<b>104,010</b>	<b>5.4%</b>	<b>127,510</b>	<b>4.3%</b>	<b>102,553</b>	<b>4.6%</b>	<b>58,765</b>	<b>6.3%</b>	<b>176,701</b>	<b>8.4%</b>	<b>112,526</b>	<b>7.5%</b>	<b>176,701</b>	<b>7.9%</b>	<b>112,526</b>	<b>6.9%</b>	<b>69,993</b>	<b>11.3%</b>
<b>Total of the Operating Section</b>		<b>1,290,195</b>	<b>44.7%</b>	<b>870,487</b>	<b>45.1%</b>	<b>1,307,097</b>	<b>44.5%</b>	<b>842,624</b>	<b>38.1%</b>	<b>584,104</b>	<b>63.1%</b>	<b>1,124,484</b>	<b>53.8%</b>	<b>717,167</b>	<b>47.7%</b>	<b>1,154,841</b>	<b>51.6%</b>	<b>754,259</b>	<b>46.1%</b>	<b>490,437</b>	<b>79.1%</b>
Reserves, surplus/deficit for the operating section		- 0		325,842		-		- 180,426		96,094		- 0		19,829		0		63,073		438,055	
<b>Total of the Development Section</b>		<b>1,597,768</b>	<b>55.3%</b>	<b>1,061,022</b>	<b>54.9%</b>	<b>1,632,142</b>	<b>55.5%</b>	<b>1,368,038</b>	<b>61.9%</b>	<b>341,399</b>	<b>36.9%</b>	<b>966,884</b>	<b>46.2%</b>	<b>785,992</b>	<b>52.3%</b>	<b>1,084,090</b>	<b>48.4%</b>	<b>883,062</b>	<b>53.9%</b>	<b>129,618</b>	<b>20.9%</b>
Reserves, surplus/deficit for the development section		- 84,178		365,047		- 84,178		153,092		14,135		- 199,076		- 144,829		- 199,076		- 343,802		116,675	

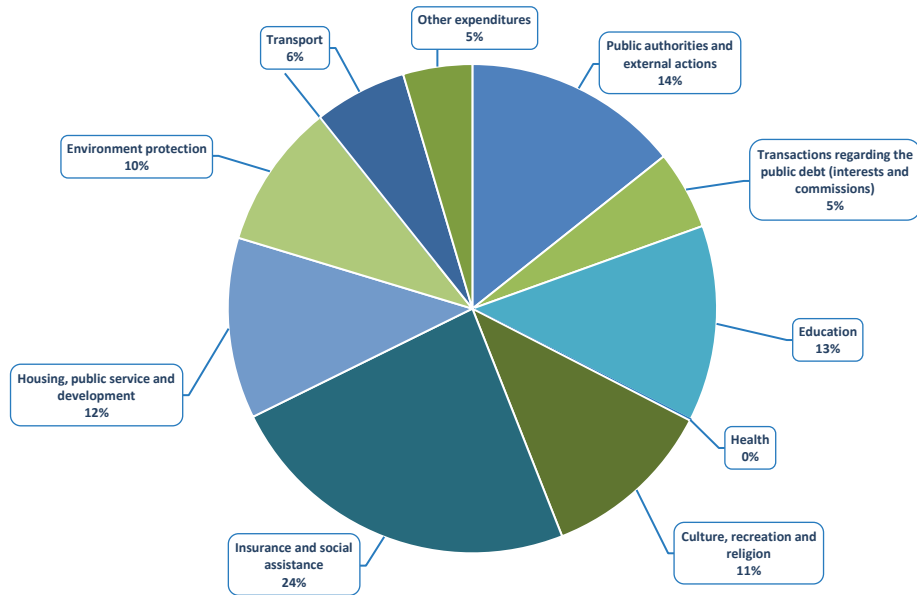
# The variation of the performed expenditures at Q2 2024 vs. Q2 2023

Functional classification

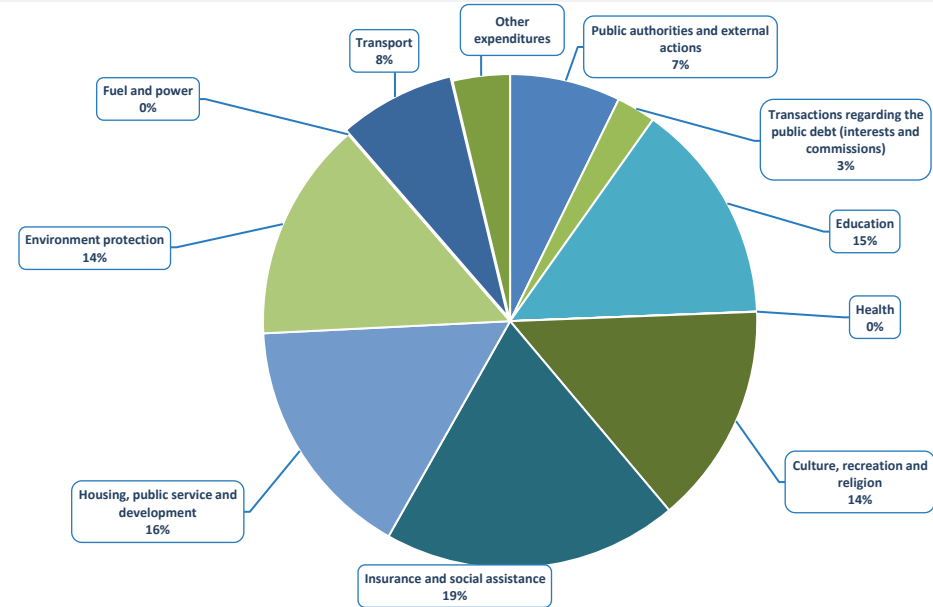
'000 RON



The structure of the payments performed at Q2 2024



The structure of the payments performed at Q2 2023



The level of total payments made increased by RON 305,448 th (+49.3%) over the budget execution of the reference period of the previous year.

- Within the chapter **Housing, public service and development** (+RON 74,159 th, +99.9%) there is an increase in payments at the level of Other expenditures in the housing system (+RON 75,365 th, +433.5%) and Other services for housing, public services and rural development (+RON 6,132 th, +12.5%) and the decrease of those for Development of housing system (-RON 7,471 th, -95.2%);
- At the level of **Environment protection** (+RON 73,903 th, +124%) there are higher payments for Sanitation (+RON 53,268 th, +90.3%) and Collection, treatment and destruction of waste (+RON 19,924 th). In addition, it is worth noting the registration of payments in the amount of RON 505 th at the level of Other services in the environment protection field (without such payments at Q2 2023);
- Within the chapter **Culture, recreation and religion** (+RON 62,896 th, +88.5%), there is an increase mainly from the paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 62,895 th, +93.7%). In addition, payments in the amount of RON 2,326 th were recorded for Cultural centers (without execution in the similar period of the previous year) and the lack of payments for Other services in the field of culture, recreation and religion was observed (in the amount of RON 2,236 th at Q2 2023);

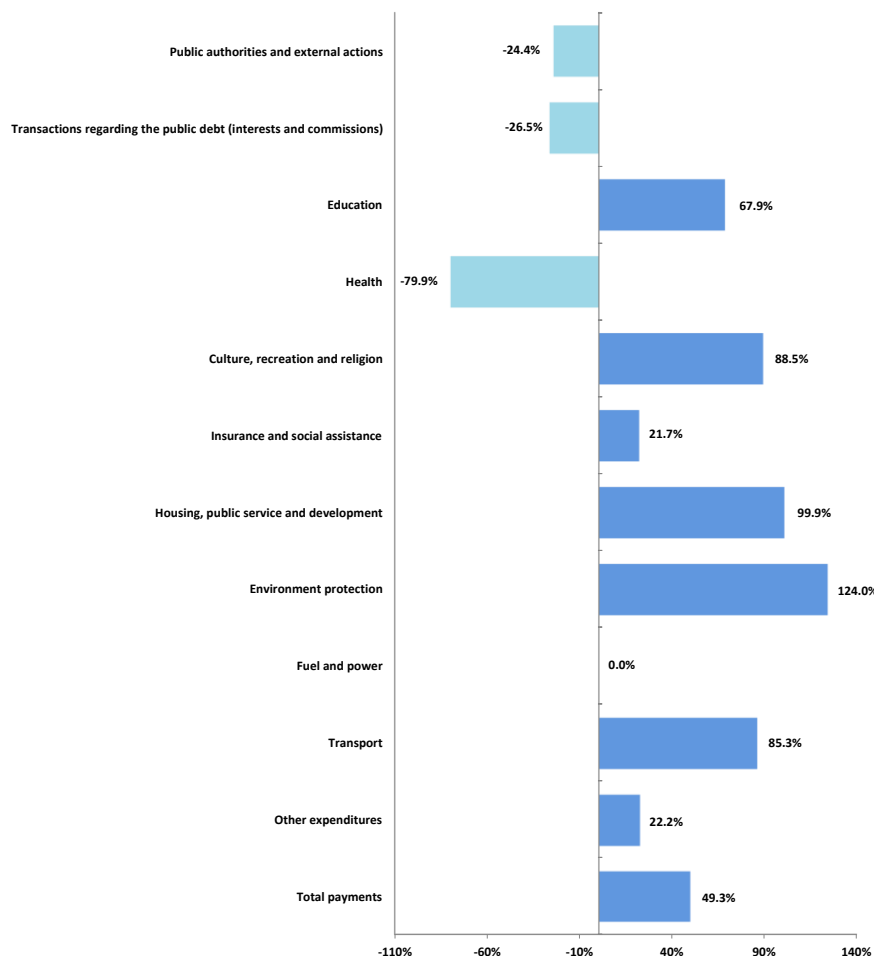
# The variation of the performed expenditures at Q2 2024 vs. Q2 2023

Functional classification

'000 RON



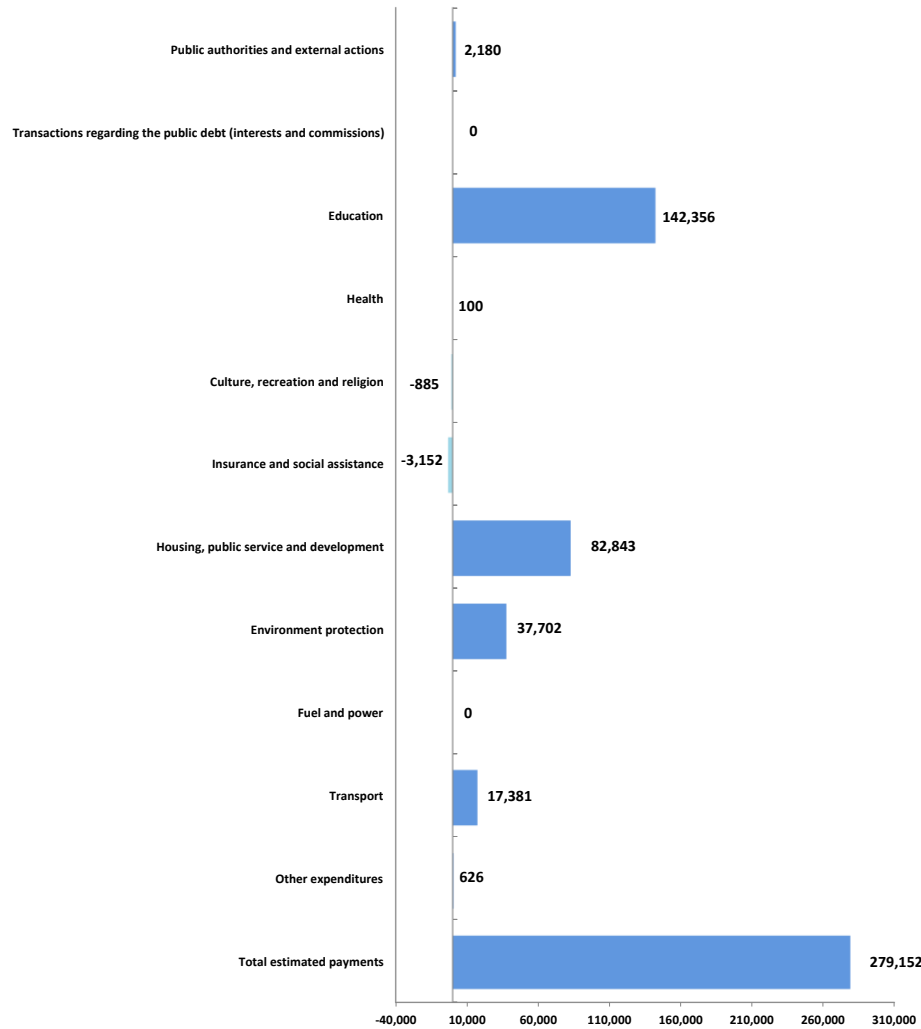
## Functional expenditures variation



- Within the **Education** chapter (+RON 54,537 th, +67.9%), the payments made increased Pre-school and elementary education (+RON 54,247 th, +279.8%), School after school (+RON 9,230 th, +64.3%), Before pre-school education (+RON 4,869 th, +187%) and Auxiliary services for education (+RON 1,215 th, +116.1%). In contrast, there was a lack of Other expenditures in the field of education (amounting to RON 13,599 th in the same period of the previous year) and payments for secondary education were decreased (-RON 1,089 th, -3.9%);
- For the **Transport** chapter (+RON 32,473 th, +85.3%) higher payments are recorded in full at the level of the Streets paragraph;
- Within the chapter **Insurance and social assistance** (+RON 31,866 th, +21.7%) the dynamics is influenced by the payments for Other expenditures in the social assistance field (+RON 17,918 th, +42.5%), Social assistance for the disabled (+RON 14,897 th, +22.6%), Social assistance for family and children (+RON 3,233 th, +17.3%), Assistance to the elderly (+RON 2,057 th, +25%), Units for medical and social assistance (+RON 813 th, +16.5%) and Nurseries (amounting to RON 7,055 th at Q2 2023, without such payments at Q2 2024);
- For the group of chapters **Other expenditures** (+RON 6,280 th, +22.2%) there is an increase in the payments made for the Local Police (+RON 7,206 th, +34.8%) and a decrease in those for Community public services for persons evidence (-RON 1,169 th, -15.9%);
- **Public Authorities and external actions** (-RON 21,615 th, -24.4%);
- **Public debt transactions** (-RON 8,570 th, -26.5%);
- At the level of the **Health** chapter (-RON 482 th, -79.9%) the payments of Other sanitary establishments and actions were decreased.



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



The budget amendment to Q2 2024 aimed at an increase in provisions by 14.5% (+RON 279,152 th), thus including allocations for the first six months of the year in the amount of RON 2,210,662 th (without taking into account the forecast result for the period). Thus, the budgetary rectification provided:

- Within the **Education** chapter (+RON 142,356 th, +43.2%), the final provisions amounted to RON 472,142 th, taking into account the allocations for: Pre-school and elementary education (+RON 167,070 th, +109.1%), School after school (+RON 5,732 th, +24.3%), Auxiliary services for education (+RON 2,898 th, +193.2%), Before pre-school education (+RON 1,133 th, +2.4%), Special education (-RON 719 th, -26%);
- For the chapter **Housing, public service and development** (+RON 82,843 th, +20.4%) the final provisions are worth RON 489,782 th, being above the initial ones mainly at the level of those for Other expenditures in the field of housing (+RON 85,859 th, +30.1%) and below the initial ones at the level of the provisions for Other services in the fields of housing, services and communal development (-RON 3,491 th, -3.4%);
- For the **Environment protection** chapter (+RON 37,702 th, +19.1%), the budget amendment brought an increase in allocations up to RON 235,108 th, these being above the level included in the initial budget, mainly for Col Collection, treatment and destruction of waste (+RON 49,778 th, +130.3%) and Pollution reduction and control (+RON 10,341 th, +258.5%). In contrast, the estimates for Sanitation (-RON 20,446 th, -14%) and Canalization and treatment of wastewater (-RON 2,104 th, -25.5%) were decreased;
- Within the **Transports** chapter (+RON 17,381 th, +9.8%), the final provisions are worth RON 194,249 th, and the dynamics are fully observed at the level of the Streets paragraph;
- **Public authorities and external actions** (+RON 2,180 th, +1.1%), a chapter comprising total provisions in the amount of RON 205,789 th;
- **Other expenditures** group (+RON 626 th, +1.2%), the dynamics of allocations being reflected as follows: Local police (+RON 681 th, +2%), National defense (+RON 91 th, +18.4%), Civil protection and fire protection (nonmilitary civil protection) (-RON 137 th, -27.4%);
- **Insurance and social assistance** (-RON 3,152 th, -1.1%), as follows: Other expenditures in the social assistance field (-RON 4,284 th, -4.6%), Units for medical and social assistance (+RON 363 th, +6%), Assistance for the elderly (+RON 342 th, +2%), Assistance for the elderly (+RON 240 th, +0.2%) and Social assistance for family and children (+RON 187 th, +0.5%);
- **Culture, recreation and religion** (-RON 885 th, -0.3%), given that the allocations for Other services in the field of culture, recreation and religion were decreased (-RON 8,583 th, -98.9%), final provisions amounting to RON 6,548 th were registered for Centers for conservation and promotion of traditional culture (without such payments in the similar period of the previous year) and those for Maintenance of public gardens, parks, green areas, sports and leisure centers (+RON 1,150 th, +0.5%).



For the entire year 2024, the last budget amendment in Q2 2024 includes provisions with RON 51,276 th (+1.8%) above the level of the initial ones, changes being found at the level of the following expenditure chapters:

- **Education** (+RON 79,764 th, +14.7%), the dynamics of allocations being reflected as follows: Pre-school and elementary education (+RON 105,022 th, +33.1%), School after school (+RON 5,176 th, +20.7%), Auxiliary services for education (+RON 3,814 th, +200.7%), Before pre-school education (+RON 1,026 th, +1.7%) and Secondary education (-RON 35,324 th, -26.8%);
- Within the **Health** chapter (+RON 26,230 th, +540.3%) the dynamics is fully observed at the level of the paragraph Other sanitary establishments and actions;
- **Public authorities and external actions** (+RON 17,874 th, +6.6%);
- **Environment protection** (+RON 16,254 th, +4.4%), changes in the initial provisions stand out for: Collection, treatment and destruction of waste (+RON 20,500 th, +21.5%), Pollution reduction and control (+RON 4,217 th, 28.7%), Canalization and treatment of wastewater (+RON 1,404 th, +13.2%);
- **Other expenditures** group (+RON 811 th, +1%), the dynamics of allocations being reflected as follows: Local police (+RON 500 th, +1%), Community public services for persons evidence (+RON 261 th, +1.6%);
- **Housing, services and public development** (-RON 70,614 th, -11.9%), as follows: Other expenditures in the housing system (-RON 71,567 th, -16.2%), Water supply (+RON 887 th, +17.2%);
- **Transports** (-RON 9,258 th, -3.8%), entirely by reducing the provisions for the Streets paragraph;
- **Culture, recreation and religion** (-RON 5,359 th, -1.5%), given that the allocations for Other services in the field of culture, recreation and religion (-RON 9,721 th, -99%), Public institutions for shows and concerts (-RON 3,000 th, -75%), Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 2,309 th, -0.7%) have been decreased and have registered final provisions in the amount of RON 9,671 th for Centers for conservation and promotion of traditional culture (without initial estimates);
- **Insurance and social assistance** (-RON 4,426 th, -1.2%), as follows: Other expenditures in the social assistance field (-RON 3,611 th, -2.9%) and Social assistance for the disabled (-RON 899 th, -0.5%).



# Budgetary provisions

## Functional classification

'000 RON



### The list of investments (approved by LCD no. 164/27.06.2024)

Functional chapter	Source of funding	Code	LOCAL BUDGET	CAPITAL EXPENDITURES	P.N.R.R.	NEF	TRANSFERS FOR INVESTMENTS	EXTERNAL BANK LOAN	INTERNAL BANK LOAN	TOTAL EXPENDITURES
Executives authorities		51.02	109,984	71,964	-	38,007	13	-	-	109,984
Community public services for persons evidence		54.02	361	-	-	-	361	-	-	361
Transactions regarding the public debt and loans		55.02	-	-	-	-	-	-	-	-
Defense		60.02	167	167	-	-	-	-	-	167
Public order and national security		61.02	3,071	-	-	-	3,071	-	-	3,071
Education		65.02	409,196	75,046	332,383	1,767	-	19,216	-	428,412
Health		66.02	31,085	31,085	-	-	-	75,000	-	106,085
Culture, recreation and religion		67.02	212,450	212,450	-	-	-	-	-	212,450
Insurance and social assistance		68.02	25,400	21,381	4,019	-	-	-	-	25,400
Housing, public services and development		70.02	420,169	275,636	116,638	112	27,783	76,786	109,348	606,302
Environment protection		74.02	208,490	122,097	15,898	-	70,496	-	-	208,490
Fuel and power		81.02	-	-	-	-	-	-	-	-
Transport		84.02	211,769	204,564	7,205	-	-	-	-	211,769
Other economic actions		87.02	-	-	-	-	-	-	-	-
<b>TOTAL - source of financing</b>			<b>1,632,142</b>	<b>1,014,390</b>	<b>476,142</b>	<b>39,886</b>	<b>101,723</b>	<b>171,002</b>	<b>109,348</b>	<b>1,912,491</b>

The amended budget for 2024 includes projects with a total value of RON 1,912,491 th. The main investment objectives are found as follows:

- Housing, services and public development:**

- Ongoing works (RON 319,131 th):
  - Thermal rehabilitation of blocks (RON 300,356 th);
  - Rehabilitation and extension of the Veterans' Complex (RON 3,920 th);
  - Press/book and flower kiosks (RON 3,000 th);
- New works (RON 277,571 th):
  - Thermal rehabilitation (RON 238,657 th);
  - Construction of nZEB plus housing for young people leaving the protection system in Sector 6 (Housing component) - 6 Constantin Marinescu Street (RON 9,449 th);
  - Horizontal and vertical marking works (RON 6,217 th);
- Other investment expenses (RON 9,600 th):
  - Thermal rehabilitation of multi-storey buildings Sector 6 - stage 2024 - updating/elaboration of technical, urban, technical-economic documentation, studies, technical verification, documentation, approvals, etc. (RON 3,570 th);
  - Environmental impact assessment studies (RON 1,410 th);
  - Technical and economic documentation Construction of nZEB Plus housing for young people leaving the protection system in sector 6 - Constantin Marinescu str. no. 6 (RON 599 th);
  - Studies and Technical Documentation Horizon Market (SF, DTAC, PT) (RON 420 th);
  - Apartment block in Alexandru Hrisoverghi FN street - elaboration of technical, urbanistic, technical-economic documentation, studies, technical verification of documentation, approvals/agreements etc (RON 300 th).

- Education:**

- Ongoing works (RON 428,412 th):
  - Modernization and thermal rehabilitation of the Gymnasium School no. 309 and the Paradise of the Dwarfs Kindergarten - component of the Gymnasium School no. 309 (RON 37,856 th);
  - Modernization and thermal rehabilitation of the Gymnasium School no. 117 and Kindergarten 170 (RON 34,592 th);
  - Modernization and thermal rehabilitation of Kindergarten no. 208 - Valea Oltului street no. 14 (RON 32,098 th);
  - PT+ Execution of the kindergarten building inside the Kindergarten no. 274, including consultancy and isc quotas (RON 31,590 th);
  - Modernization and thermal rehabilitation of Kindergarten no. 230 (RON 26,053 th);
  - Modernization and thermal rehabilitation of Kindergarten no. 274 - Iuliu Maniu Blvd. no. 11D (RON 22,939 th);
  - PT+Execution of the kindergarten building within the A.N.L. Brancusi District, including consultancy and isc quotas (RON 13,341 th);
  - Modernization and thermal rehabilitation of the Gymnasium School no. 309 and the Kindergarten Paradise of the Dwarfs (RON 12,164 th);
  - Construction of the kindergarten building inside the Saints Constantine and Helen School (RON 4,000 th);
- New works (RON 15,500 th):
  - Modernization of the Prichindel Kindergarten (RON 13,900 th);
- Other investment expenses (RON 113,987 th):
  - Provision of equipment for school laboratories/workshops - PNRR, component 111 (RON 41,521 th);
  - Provision of digital technological equipment and resources for educational units - PNRR, component I9 (RON 35,634 th);
  - Pre-feasibility studies, feasibility studies, projects and other studies related to investment objectives (RON 14,354 th).



### The list of investments (approved by LCD no. 164/27.06.2024)

- **Culture, recreation and religion:**
  - Ongoing works (RON 73,575 th):
    - Consolidation, expansion and modernization of the Favorit cinema, including consultancy (RON 40,000 th);
    - Arrangement of the Park of Section 2 Line - Stage I (RON 16,800 th);
    - Arrangement of the promenade and leisure area Strada Liniei, section Strada Lujerului - Strada Valea Cascadelor (RON 4,912 th);
    - Arrangement of Drumul Taberei Blvd. (RON 4,615 th);
    - Landscaping works for Liniei/Lujerului Park (RON 3,700 th);
  - New works (RON 11,844 th):
    - Arrangement of Morii Lake section II (RON 4,135 th);
    - Urban regeneration of the northern sidewalk of Drumul Taberei Street - Section 1 (RON 3,587 th);
    - Redevelopment of Timisoara Park no. 10 with sports fields (RON 1,747 th);
  - Other investment expenses (RON 127,031 th):
    - Modernization of Grozavesti Park - land acquisition (RON 29,000 th);
    - Redevelopment works of Crangasi Park stage 2 (RON 12,970 th);
    - Arrangement of playgrounds, sports fields and playgrounds for dogs in the sector (RON 11,739 th);
    - Acquisition of land adjacent to Liniei Street (RON 8,750 th);
    - Landscaping works (RON 8,646 th);
    - Vans - difference in vehicle leasing installments (RON 5,987 th);
    - Technical-economic documentation, studies, approvals and agreements for the arrangement of the promenade and leisure area of Liniei Street, section Lujerului Street - Valea Cascadelor Street (RON 5,500 th);
    - Morii Lake design services (for the investment objective Urban regeneration and landscaping of Morii Lake Park) (RON 2,750 th).
- **Transports:**
  - Ongoing works (RON 142,722 th):
    - Modernization of the Valea Larga Road road system (Ghencea Extension - Timisoara Blvd. connection) (RON 43,210 th);
    - Modernization of the alleys road system, streets between the residential buildings in the perimeter between Iuliu Maniu Boulevard - Moinesti Street - Liniei Street - Valea Cascadelor Street (RON 25,000 th);
    - Modernization of the road system, alleys, streets between the residential buildings, the perimeter between Drumul Taberei Street - Drumul Taberei Park (RON 15,499 th);
    - Modernization of the road system alleys, streets between the residential buildings in the perimeter between Brasov Street - Drumul Taberei Street - Sibiu Street - 1 Mai Street (RON 13,500 th);
    - Favorit Square landscaping works, including design (RON 11,445 th);
    - Modernization of the Drumul Osiei road system (RON 5,418 th);
- New works (RON 16,472 th):
  - Modernization and extension of the smart traffic light system ROUND I - 11.2 - Intelligent local urban management systems (RON 7,205 th);
  - Rehabilitation of streets, alleys, sidewalks and parking lots in the area bounded by Splaiul Independentei – Doina Cornea Street – Economu Cezarescu Street – Polytechnic Park (RON 5,600 th);
  - Modernization of the road system on Boja Street (RON 1,000 th);
- Other investment expenses (RON 52,575 th):
  - Capital repairs and related services related to the execution of road infrastructure works (streets, alleys, sidewalks) - 2022-2023 stage (RON 10,401 th);
  - Modernization of the road system (RON 11,680 th);
  - Capital repairs and related services related to the execution of ground parking works in Sector 6 - 2022-2023 stage (RON 6,539 th);
  - Capital repairs and related services related to the execution of road infrastructure works (streets, alleys, sidewalks) - 2024 stage (RON 4,000 th);
- **Environment protection:**
  - Ongoing works (RON 114,903 th):
    - Extension of the separate waste collection system at the level of Sector 6 of the Municipality of Bucharest (RON 93,462 th);
    - The construction of the equipment base on the 10,000sqm land allocated by H.C.L. no. 162/28.06.2022 located in Timisoara Blvd. no. 108C (RON 19,350 th);
  - New works (RON 31,058 th):
    - Construction of 265 digitized ecological islands in sector 6 (RON 11,831 th);
    - Development of the charging infrastructure for electric and/or plug-in hybrid vehicles, through the installation of normal power charging stations (RON 9,481 th);
    - Domestic sewerage on Drumul Belsugului (RON 4,103 th);
  - Other investment expenses (RON 62,530 th):
    - 6x4 chassis with hooklift, basin, salt and blade (RON 7,220 th);
    - 7 ton chassis - 7.5 tons with hookfit, basin, salt and blade (RON 6,910 th);
    - 4x4 chassis with hooklift, basin, salt and blade (RON 650 th);
    - Medium self-ripper (RON 5,448 th);
    - Multifunctional articulated machines with attachments (RON 3,800 th);
    - Vidanja (RON 3,350 th);
    - Thermal rehabilitation of the building (RON 2,343 th);
    - 4x4 multifunctional machine (RON 2,600 th);
    - Extension of the separate waste collection system at the level of Sector 6 of the Municipality of Bucharest (SMIS 155966) - updating/elaboration of technical, urbanistic, technical-economic documentation, studies, technical verification, documentation, approvals, etc.) (RON 2,461 th).

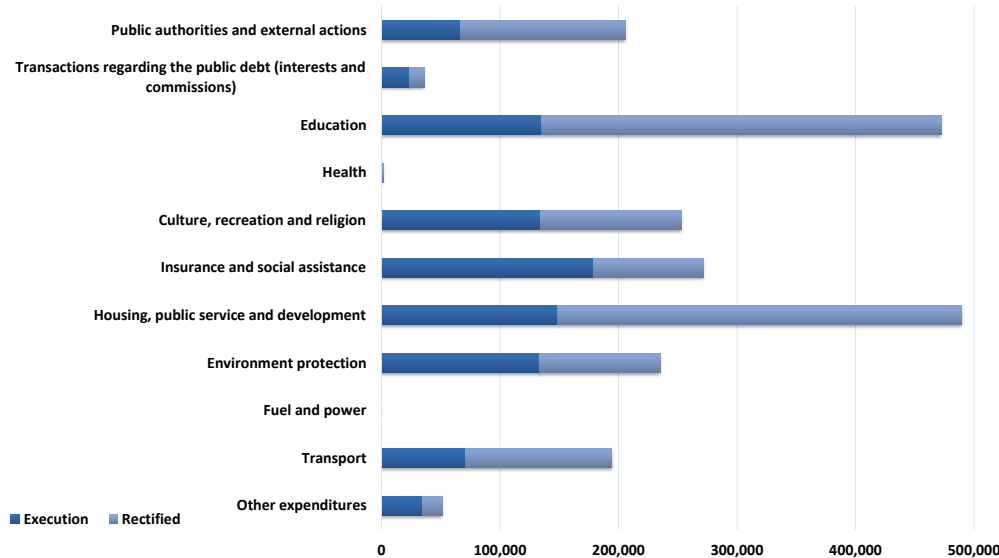
# Budgetary provisions: achievement degree at Q2 2024

Functional classification

'000 RON



## Achievement degree compared to the final provisions

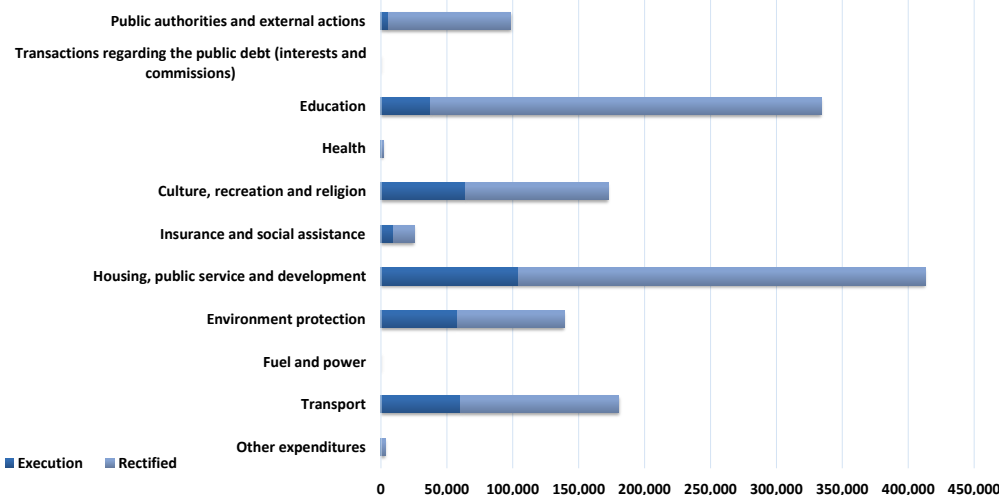


## Final budgetary provisions approved by LCD no. 164/27.06.2024

Payments made during the first six months of 2024 amounted to RON 925,503 th, respectively by RON 1,285,159 th below the level of budgetary provisions (recording an execution rate of 41.9%).

- Within the chapter **Housing, services and public development** (-RON 341,414 th, execution rate of 30.3%), there are payments below the estimated level mainly for Other expenditures in the housing system (-RON 278,316 th, -75%), Other services for housing, public services and rural development (-RON 43,271 th, -44%), Development of housing system (-RON 10,669 th, -96.6%), Water supply (-RON 5,399 th, -97.6%), Public lighting and rural electrification (provisions amounting to RON 3,759 th, without execution);
- Within the **Education** chapter (-RON 337,321 th, execution rate of 28.6%), the payments are below the level of estimates mainly for Pre-school and elementary education (-RON 246,600 th, -77%), Secondary education (-RON 41,734 th, -61%), Before pre-school education (-RON 40,168 th, -84.3%), School after school (-RON 5,730 th, -19.5%), Auxiliary services for education (-RON 2,136 th, -48.6%), Special education (-RON 878 th, -42.8%);
- **Public authorities and external actions** (-RON 138,739 th, execution rate of 32.6%);
- Within the **Transport** chapter (-RON 123,709 th, execution rate of 36.3%), the payments are below the level of estimates under the Streets paragraph (-RON 116,504 th, -62.3%) and Public transportation (final provisions in the amount of RON 7,205 th, without executed payments);
- The expenditures incurred under the **Culture, recreation and religion** chapter (-RON 118,732 th, execution rate of 53%) are below the level of planning, mostly influenced by the Maintenance of public gardens, parks, green areas, sports and leisure centers (-RON 113,462 th, -46.6%), Centers for conservation and promotion of traditional culture (provisions amounting to RON 6,548 th, without execution), Cultural centers (provisions in the amount of RON 2,326 th, without execution), Public institutions for shows and concerts (provisions in the amount of RON 550 th, without execution), Religious services (-RON 400 th, -20%);
- Within the **Environmental protection** chapter (-RON 101,618 th, execution rate of 56.8%), the payments are below the level of estimates, the dynamics being reflected as follows: Collection, treatment and destruction of waste (-RON 67,431 th, -76.7%), Pollution reduction and control (-RON 14,323 th, -99.9%), Sanitation (-RON 13,673 th, -10.9%), Canalization and treatment of wastewater (-RON 5,963 th, -96.9%);
- Within the chapter **Insurance and social assistance** (-RON 93,084 th, execution rate of 65.8%), the payments are below the level of estimates and the influences come from Social assistance for the disabled (-RON 41,731 th, -34.1%), Other expenditures in the social assistance field (-RON 29,560 th, -33%), Social assistance for family and children (-RON 13,679 th, -38.4%), Assistance for the elderly (-RON 7,408 th, -41.8%);
- The group of chapters **Other expenditures** (-RON 16,673 th, execution rate of 67.5%) registers values below the level of the budgetary provisions as follows: Local police (-RON 6,836 th, -19.7%), Other general public services (-RON 3,723 th, -93.1%), Community public services for persons evidence (-RON 3,416 th, -35.6%), Emergency fund for local authorities (final provisions in the amount of RON 2,000 th), National defense (-RON 401 th, -68.4%) and Civil protection and fire protection (nonmilitary civil protection) (-RON 296 th, -81.6%);
- **Transactions on public debt** (-RON 12,249 th, execution rate of 66%);
- At the level of the **Health** chapter (-RON 1,620 th, execution rate of 7%) there are payments below the level of the provisions in full at the level of Other sanitary establishments and actions.

## Investment expenditures: Execution level compared to provisions - at Q2 2024





## Table of contents Section III

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

- The variation of the performed expenditures at Q2 2024 vs. Q2 2023
- Budgetary provisions: the achievement degree of the revenues at Q2 2024
- Expenditures ratios

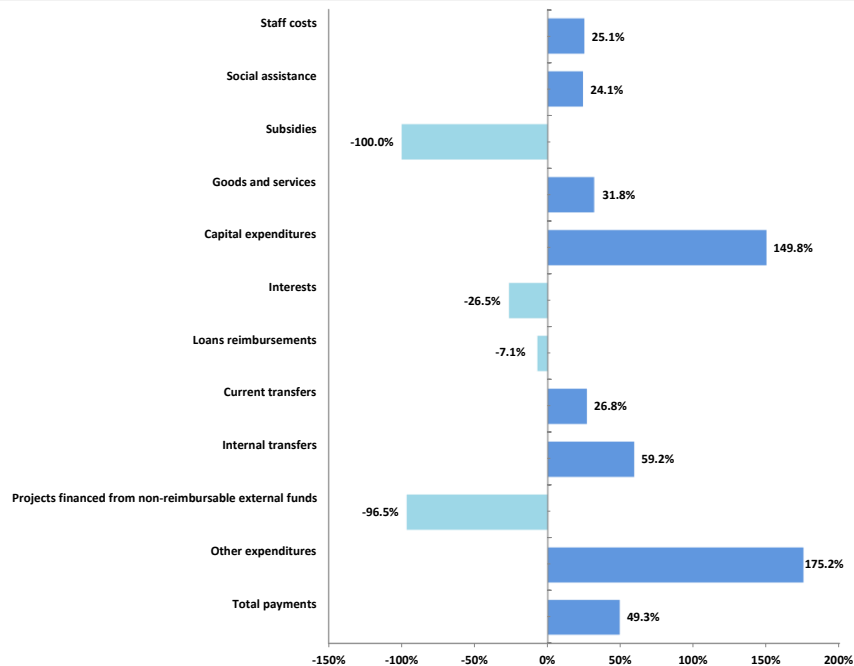
# The variation of the performed expenditures at Q2 2024 vs. Q2 2023

Economic classification

'000 RON

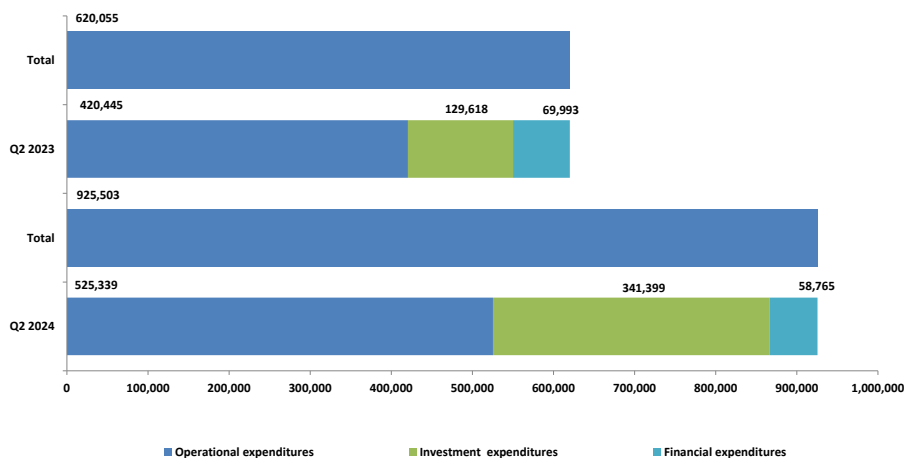


## Economic expenditures variation



\* Graficul nu include variatia Proiectelor cu finantare din fonduri nationale (PNRR) (+28.259,7%)

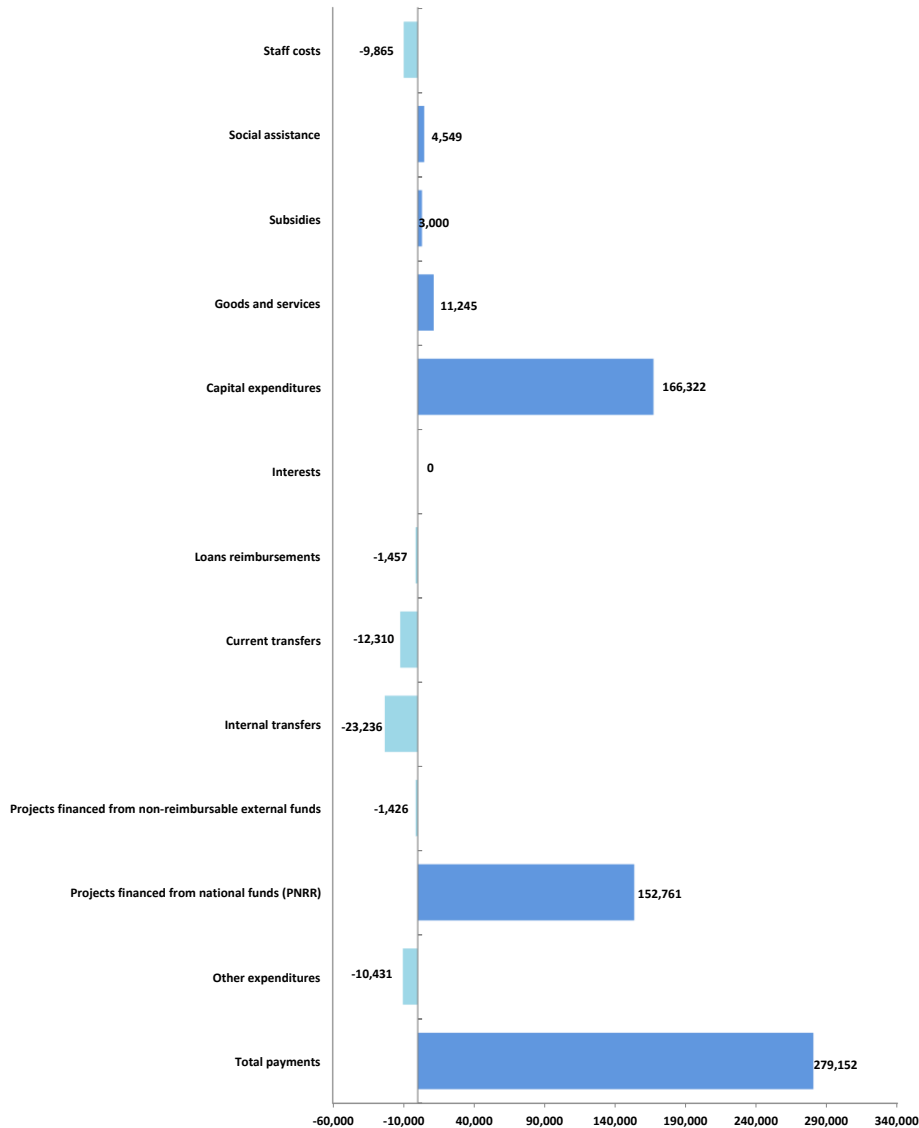
## Structura cheltuielilor



- Investment expenditures** were by to RON 211,781 th (+163.4%) higher than in the previous reference period. Thus, these payments are mainly represented by the following titles:
  - Capital expenditures** (+RON 148,789 th, +149.8%), with influences from payments for Constructions (+RON 125,185 th, +220.2%), Other fixed assets (including capital repairs) (+RON 16,518 th, 162.3%), Machines, equipments and means of conveyance (+RON 16,079 th, +128%), Furniture, office equipment and other tangible assets (+RON 1,070 th, +103.4%), respectively Capital repairs related to fixed assets (-RON 10,063 th, -53.9%);
  - Capital transfers** (+RON 44,055 th, +903.1%), mainly represented by Other capital transfers to public institutions (+RON 44,042 th, +902.9%);
  - Projects financed from national funds** (+RON 43,023 th), with expenses recorded in Q2 2024 in the amount of RON 43,121 th for Projects financed from the amounts related to the loan component of the PNRR (without amounts in Q2 2023);
  - Projects financed from non-reimbursable external funds** (-RON 24,262 th, -96.5%) mainly related to the 2014-2020 financial framework, respectively Programs from the European Regional Development Fund (-RON 22,143 th, -97.3%) and from the European Social Fund (payments amounting to RON 2,144 th in Q2 2023, without such amounts recorded in Q2 2024).
- Operational expenditures** registered a level by RON 104,894 th (+24.9%) higher than in the same period of the previous year, as a result of:
  - A higher level of payments for **Goods and services** (+RON 55,401 th, +31.8%) without taking into account Commissions and other costs for debts. The evolution is mainly highlighted at the level of payments for: Other materials and services for maintenance and functioning (+RON 36,487 th, +63.7%), Materials and services with functional character (+RON 11,933 th, +19.8%), Heating, lighting and driving force (+RON 4,863 th, +24.9%), Other expenses with materials and services changes (+RON 2,980 th, +42.5%), Water, sewerage and sanitation (+RON 1,960 th, +60.4%), Food for people (+RON 895 th, +17.7%), Cleaning materials (+RON 727 th, +58.6%), Current repairs (-RON 5,398 th, -67.6%), Other registered materials (+RON 464 th, +17.7%), Work protection (+RON 378 th, +33.8%), Desk furniture (-RON 392 th, -24.7%);
  - Increase in **Staff costs** (+RON 31,204 th, +25.1%) mainly determined by the increase in payments related to Base salary (+RON 19,046 th, +19.3%), Fund for payments by the hour (+RON 5,352 th, +97.4%), Bonuses for working conditions (+RON 3,300 th, +44.2%), Other remuneration rights paid in cash (+RON 2,644 th, +149.6%), Precautionary contribution for work (+RON 678 th, +25.8%), Holiday vouchers (+RON 531 th, +17.1%), Food allowances (-RON 359 th, -7.4%);
  - The increase in payments for **Social assistance** (+RON 13,214 th, +24.1%), mainly influenced by the paragraphs Social support in cash (+RON 10,845 th, +22%), Food support (+RON 1,215 th, +116.1%) and Social support in kind (+RON 1,154 th, +25.9%);
  - Increase in expenses related to **Current transfers** (+RON 9,783 th, +26.8%), fully Transfers to public institutions;
  - The increase in expenditures on **Internal transfers** (+RON 8,287 th, +60.9%) mainly by increasing the amounts related to the Financing of private or confessional accredited education (+RON 8,231 th, +60.5%);
  - Decrease in the **Other operational expenditures** group, with majority influences from the Scholarships paragraph (payments in the amount of RON 14,600 th in Q2 2023, without such amounts in Q2 2024), but also the recording of payments in the amount of RON 1,893 th for Associations and foundations and in the amount of RON 367 th for Civil compensations (without amounts in Q2 2023);
  - Lack of payments related to **Subsidies**, these being in the amount of RON 2,264 th in the similar period of the previous year, fully at the level of Other subsidies.
- Financial expenditures** decreased by RON 11,228 th (-16%), respectively **Interest** payments were lower by RON 8,571 th (-26.5%) mainly due to the major fluctuations of the indices on the domestic banking market. At the same time, payments related to **Loans reimbursements** decreased by RON 2,658 th (-7.1%).



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



- Investment expenditures** for the second quarter of 2024 were included in the amended budget at RON 1,368,038 th, respectively by RON 307,015 th above the initially planned provisions (+28.9%). The dynamics are reflected as follows:
  - Capital expenditures** (+RON 166,322 th, +24%), up to RON 858,493 th, including higher allocations for Constructions (+RON 122,268 th, +27.5%), Machines, equipments and means of conveyance (+RON 30,590 th, +50.8%), Other fixed assets (+RON 12,442 th, +8.8%), Furniture, office equipment and other tangible assets (+RON 3,047 th, +13.3%). Also, the provisions for Capital repairs related to fixed assets (-RON 2,025 th, -9%) were decreased;
  - At the level of **Projects financed from national funds** (+RON 152,761 th, +60.1%), the final allocations were increased to the value of RON 406,943 th, mainly at the level of Projects financed from the amounts representing the non-reimbursable financial assistance related to the PNRR (+RON 78,653 th, +169%) and Projects financed from the amounts related to the loan component of the PNRR (+RON 74,108 th, +35.7%);
  - Capital transfers** (-RON 10,638 th, -14.6%), with final forecasts amounting to RON 62,321 th, these being lower compared to the initial ones, mainly for Other capital transfers to the public institutions (-RON 10,650 th, -14.6%);
  - The value of **Projects financed from non-reimbursable external funds** (-RON 1,426 th, -3.5%) was rectified by decreasing to the value of RON 39,886 th, mainly at the level of the amounts related to the post-accession, as follows: Other facilities and post-accession tools (final provisions amounting to RON 1,714 th, without such initial estimates), Programs financed from the European Regional Development Fund (+RON 346 th, +51.4%).
- At the level of **Operational expenditures**, for the first six months of this year, provisions were included with RON 26,406 th (-3.4%) below the level of those in the initial budget, respectively a total value of RON 740,071 th. The dynamics are determined by the following changes:
  - The value of **Internal transfers** (-RON 23,232 th, -41.7%) was rectified by decrease to RON 32,496 th, mainly at the level of the amounts related to the Financing of private or confessional accredited education (-RON 23,142 th, -46.7%);
  - Current transfers** (-RON 12,310 th, -15.7%) with final provisions amounting to RON 65,907 th, being below the final provisions entirely at the level of Transfers to public institutions;



- **Staff costs** (-RON 9,865 th, -4.7%), with estimates decreased in the final budget to the value of RON 199,472 th mainly through lower allocations for Base salary (-RON 11,718 th, -7.4%), Other remuneration rights paid in cash (-RON 847 th, -15.7%), Allowances for food (-RON 286 th, -3.8%), Allowances paid for persons outside the unit (-RON 201 th, -7.4%), Precautionary contribution for work (-RON 167 th, -3.6%) and higher allocations for the Hourly Payment Fund (+RON 3,275 th, +33.3%);
- **Goods and services** (+RON 11,245 th, +3.6%) with increased provisions up to RON 324,833 th, the dynamics being observed mainly at the level of the following lines: Other materials and services for maintenance and functioning (+RON 12,359 th, +11.3%), Current repairs (+RON 4,256 th, +26.4%), Heating, lighting and driving force (+RON 3,455 th, +12.5%), Other inventory items (+RON 2,237 th, +31%), Work protection (+RON 318 th, +19.3%), Other expenses with materials and services changes (-RON 4,308 th, -20.8%), Water, sewerage and sanitation (-RON 2,458 th, -18.3%), Consultancy and expertise (-RON 2,185 th, -29.5%), Food for people (-RON 676 th, -7%), Desk furniture (-RON 496 th, -12.3%), Materials and services with functional character (-RON 437 th, -0.5%), Professional training (-RON 266 th, -15.1%);
- **Social assistance** (+RON 4,549 th, +4.5%), with final provisions amounting to RON 106,624 th, these being higher compared to the initial ones, mainly for Food support (+RON 2,898 th, +193.2%) and Social support in kind (+RON 1,957 th, +29.7%) and lower allocations for Social support in cash (-RON 301 th, -0.3%);
- **Subsidies** with final provisions in the amount of RON 3,000, without initially estimated payments;
- At the level of the **Other operational expenditures group**, provisions were estimated above the initial ones at the level of Civil compensations (+RON 410 th, +215.8%).
- **Financial expenditures** were included in the adjusted budget at RON 102,553 th, respectively by RON 1,457 th below the initially planned provisions (-1.4%), the dynamics being fully reflected at the level of Loans reimbursements.

At the level of 2024, from the point of view of economic classification, the last budget amendment in Q2 2024 provides changes at the level of the following groups:

- **Capital expenditures** (+RON 34,374 th, +2.2%), the changes being distributed as follows: Projects financed from national funds (+RON 55,382 th, +13.2%), Capital transfers (+RON 6,221 th, +6.5%), Capital expenditures (-RON 20,521 th, -2%), Projects financed from non-reimbursable external funds (-RON 6,703 th, -14.4%);
- **Operational expenditures** (+RON 16,901 th, +1.5%), with influences on the final allocations for: Staff costs (+RON 24,913 th, +7.9%), Social assistance (+RON 4,982 th, +3.6%), Subsidies (final provisions amounting to RON 3,000 th, without initial estimates), Internal transfers (+RON 2,891 th, +4.9%), Other operating expenses (+RON 339 th, +2.8%), Current transfers (-RON 14,699 th, -9.2%), Goods and services (-RON 4,525 th, -0.9%).

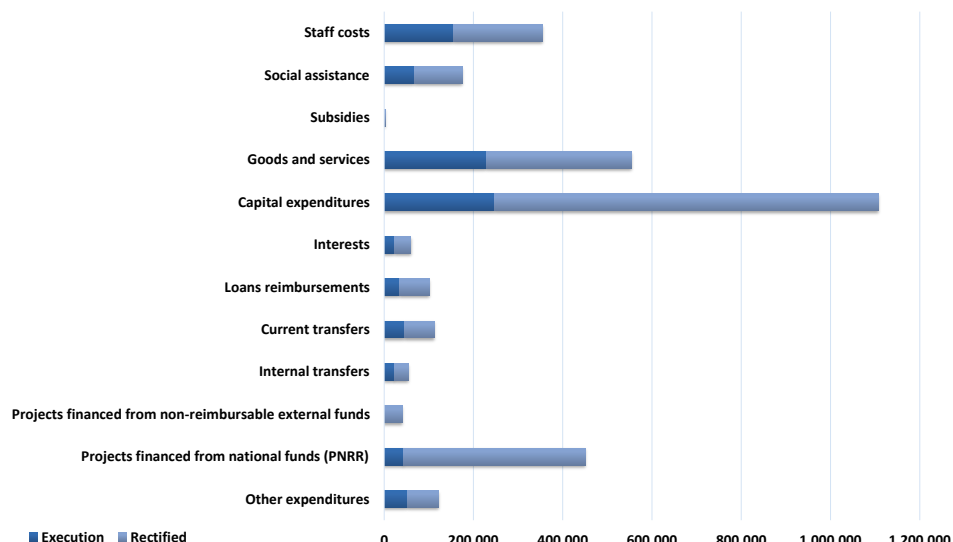
# Budgetary provisions: achievement degree at Q2 2024

Functional/economic classification

'000 RON



## Execution level compared to provisions - at Q2 2024



## Final budgetary provisions approved by LCD no. 164/27.06.2024

- **The Investment expenditures** reach a level of payments with RON 1,026,639 th below the final allocations (execution rate of 25%) and are distributed as follows:
  - **Capital expenditures** (-RON 610,384 th, performance rate of 28.9%) are below the estimated level, the main variation coming from payments for Constructions (-RON 385,298 th, -67.9%), Other fixed assets (-RON 127,204 th, -82.7%), Machines, equipments and means of conveyance (-RON 62,207 th, -68.5%), Furniture, office equipment and other tangible assets (-RON 23,857 th, -91.9%) and Capital repairs for fixed assets (-RON 11,818 th, -57.8%);
  - **Projects financed from national funds** (-RON 363,768 th, 10.6% achievement rate) have a budget execution in Q2 2024 below the final provisions of the period, the dynamics being observed at the level of payments for Projects financed from the amounts related to the loan component of the PNRR (-RON 238,623 th, -84.7%) and those financed from the amounts representing the non-reimbursable financial assistance related to the PNRR (-RON 125,144 th);
  - **Projects financed from non-reimbursable external funds** (-RON 39,018 th, achievement rate of 2.2%) register payments below the level of estimates, the influences being observed mainly at the level of the Programs of the European Regional Development Fund (-RON 36,793 th, -98.4%) and Other Community Programs financed in the period 2014-2020 (final provisions in the amount of RON 1,460 th, without execution) and the related Programs financed from the European Regional Development Fund the 2021-2027 financial framework (-RON 765 th, -75%);
  - **Capital transfers** (-RON 13,387 th, achievement rate of 78.5%), with an execution under the final budgetary provisions entirely at the level of Other capital transfers to the public institutions.

## Execution level compared to provisions - at Q2 2024

Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:				Investment expenditures, out of which:				
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance	Financial expenditures	Investment expenditures	Capital expenditures	NEF	PNRR
Public Authorities and external actions	-138,739	-46,059	-6,642	-36,418	0	0	-92,680	-55,518	-37,146	0
Other general public services	-9,139	-9,139	-2,000	-1,913	0	0	-1	0	0	0
Transactions regarding the public debt and loans	-12,249	0	0	0	0	-12,249	0	0	0	0
General transfers between different levels of administration	0	0	0	0	0	0	0	0	0	0
Defense	-401	-234	0	-234	0	0	-167	-167	0	0
Public order and national security	-7,132	-4,296	0	-405	0	0	-2,836	0	0	0
Education	-337,321	-41,175	-3,792	-28,419	-4,297	0	-296,146	-49,048	-1,767	-245,331
Health	-1,620	0	0	0	0	0	-1,620	-1,620	0	0
Culture, recreation and religion	-118,732	-10,752	-224	-5,760	0	0	-107,980	-107,913	0	0
Insurance and social assistance	-93,084	-77,282	-30,980	-11,577	-34,348	0	-15,802	-11,783	0	-4,019
Housing, public services and development	-341,414	-1,060	-82	-674	0	-31,539	-308,815	-204,208	-105	-93,952
Environment protection	-101,618	-20,883	0	-5,939	0	0	-80,736	-67,473	0	-13,262
General economic, commercial and working actions	0	0	0	0	0	0	0	0	0	0
Fuel and power	0	0	0	0	0	0	0	0	0	0
Agriculture, Forestry, Fish breeding and Hunting	0	0	0	0	0	0	0	0	0	0
Transport	-123,709	-3,851	-44	-3,807	0	0	-119,858	-112,653	0	-7,205
Other economic actions	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>-1,285,159</b>	<b>-214,732</b>	<b>-43,764</b>	<b>-95,145</b>	<b>-38,644</b>	<b>-43,788</b>	<b>-1,026,639</b>	<b>-610,384</b>	<b>-39,018</b>	<b>-363,768</b>

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





## Execution level compared to provisions - at Q2 2024

- **Operational expenditures** are RON 214,732 th below the provisions, respectively an execution rate of 71%. Lower expenses compared to the provisions are reflected in the titles:
  - Goods and services (-RON 95,145 th, achievement rate of 70.7%), the expenses being below the estimated level mainly for: Other materials and services for maintenance and functioning (-RON 27,451 th, -22.6%), Current repairs (-RON 17,778 th, -87.3%), Functional materials and services (-RON 8,568 th, -10.6%), Heating, lighting and driving force (-RON 6,705 th, -21.6%), Other expenses with materials and services changes (-RON 6,469 th, -39.3%), Other registered materials (-RON 6,378 th, -67.4%), Water, sewerage and sanitation (-RON 5,747 th, -52.5%), Food for people (-RON 3,071 th, -34%), Consultancy and expertise (-RON 2,840 th, -54.5%), Desk furniture (-RON 2,352 th, -66.3%), Cleaning materials (-RON 1,815 th, -48%), Professional training (-RON 1,185 th, -79.4%), Fuels and additives (-RON 897 th, -33.1%), Post, telecommunications, radio, TV, internet (-RON 868 th, -37.2%);
  - Staff costs (-RON 43,764 th, achievement rate of 78.1%) being below the budgetary provisions, the influences coming, mainly, from the payments for: Base salary (-RON 28,482 th, -19.5%), Bonuses for working conditions (-RON 5,982 th), Allowances for food (-RON 2,671 th, -37.3%), Fund for payments by the hour (-RON 2,265 th, -17.3%), Allowances paid for persons outside the unit (-RON 2,142 th, -85.6%), Precautionary contribution for work (-RON 1,200 th, -26.6%), Holiday vouchers (-RON 819 th, -18.4%);
  - Social assistance (-RON 38,644 th, 63.8% achievement rate), the payments recorded being below the budget level, due to a low level of payments related to Social support in cash (-RON 33,575 th, -35.8%), in kind (-RON 2,927 th, -34.3%) and Food support (-RON 2,136 th, -48.6%);
  - Current transfers (-RON 19,601 th, execution degree of 70.3%), the payments made being below the level of budgetary provisions, with full influences from Transfers to public institutions;
  - Internal transfers (-RON 10,608 th, 67.4% achievement rate), being under provisions, with influences from payments for Financing of private or confessional accredited education (-RON 4,626 th, -17.5%), Amounts representing the incentive for scrapping used vehicles (-RON 3,982 th, -99.6%) and Other current internal transfers (-RON 2,000 th, -98%);
  - Other operational expenditures, with an execution under provisions and influences mainly from payments for the Emergency fund for local authorities (final provisions in the amount of RON 2,000 th, without executed amounts), Associations and foundations (-RON 1,061 th, -35.9%), Youth programs (-RON 1,050 th, -95.4%), Cults' support (-RON 400 th, -20%), Civil compensations (-RON 233 th, -38.9%);
  - Subsidies, with final provisions in the amount of RON 3,000 th, without budget execution.
- **Financial expenditures** are RON 43,788 th below the estimated level (execution rate of 57.3%), the influences coming from payments for Loans reimbursements (-RON 31,539 th, -47.4%) and for Interests (-RON 12,241 th, -34%).

## Expenditures ratios at Q2 2024, as compared to Q2 2023

'000 RON

Ratios	Q2 2024	Q2 2023
<b>Total staff costs</b>	<b>155,708</b>	<b>124,504</b>
Expenditures per Capita*	392	313
The expenditure weight in the operational expend	29.6%	29.6%
<b>Staff costs without the ones for the Insurance and social assistance chapter</b>	<b>73,533</b>	<b>55,747</b>
Expenditures per Capita*	185	140
The expenditure weight in the operational expend	14.0%	13.3%
<b>Current compulsory expenditures</b>	<b>223,687</b>	<b>179,269</b>
Expenditures per Capita*	563	451
The expenditure weight in the operational expend	42.6%	42.6%
<b>Operational expenditures</b>	<b>525,339</b>	<b>420,445</b>
Expenditures per Capita*	1,321	1,057
The expenditure weight in the total expenditures	56.8%	67.8%
<b>Expenditures on debt service financing</b>	<b>58,765</b>	<b>69,993</b>
Expenditures per Capita*	148	176
The expenditure weight in the total expenditures	6.3%	11.3%
<b>Total expenditures on investments</b>	<b>341,399</b>	<b>129,618</b>
Expenditures per Capita*	859	326
The expenditure weight in the total expenditures	36.9%	20.9%
<b>The expenditures' rigidity</b>	<b>16.8%</b>	<b>20.1%</b>
<b>The weight of the payments from the operating section in</b>	<b>63.1%</b>	<b>79.1%</b>
<b>The weight of the payments from the development section in</b>	<b>36.9%</b>	<b>20.9%</b>
<b>The deficit/the surplus of the operating section</b>	<b>96,094</b>	<b>438,055</b>
<b>The deficit/the surplus of the development section</b>	<b>14,135</b>	<b>116,675</b>
<b>The weight of the local public debt service in the total made</b>	<b>6.3%</b>	<b>11.3%</b>
<b>Maximum annual debt</b>	<b>342,165</b>	<b>281,283</b>
Net direct debt	117,049	155,014
Direct indebtedness level	19.7%	13.5%
Net public debt	117,049	136,081
Public indebtedness level	19.7%	15.5%
<b>The total expenditures achievement degree from the initial budget</b>	<b>47.9%</b>	<b>41.3%</b>
The funds execution level of the expenditures		
Operational expenditures	68.5%	69.5%
Staff costs	74.4%	70.9%
Current compulsory expenditures	71.8%	69.6%
On debt service financing	56.5%	62.2%
On investments	32.2%	16.5%
<b>The funds absorption level of the total expenditures</b>	<b>97.3%</b>	<b>97.3%</b>
<b>Investment expenditures / Operational revenues</b>	<b>27.5%</b>	<b>27.5%</b>
Capita:	<b>397,548</b>	<b>397,847</b>
as of:	1/1/2023	1/1/2022

\*The expenditures per Capita are represented in RON

- ✓ **Total staff costs** increased by RON 31,204 th (+25.1%), the dynamics being mainly reflected in the level of expenses with Base salary (+RON 19,046 th, +19.3%), Fund for payments by the hour (+RON 5,352 th, +97.4%), Bonuses for working conditions (+RON 3,300 th, +44.2%), Other remuneration rights paid in cash (+RON 2,644 th, +149.6%).
- ✓ **Current compulsory expenditures** increase by RON 44,418 th (+24.8%) compared to the level reached in Q2 2023, as a result of:
  - Increase of Total staff costs;
  - Increase of payments on Social assistance by RON 13,214 th (+24.1%).
- ✓ **Operational expenditures** registered a level of RON 104,894 th (+24.9%) higher than in the same period of the previous year, as a result of:
  - A higher level of payments for Goods and services (excluding commissions and other borrowing costs) by RON 55,401 th (+31.8%);
  - A higher level of Total staff costs;
  - Increase of payments regarding Social Assistance;
  - Increase in Current transfers (+RON 9,783 th, +26.8%);
  - Increase in amounts related to Internal transfers (+RON 8,285 th, +59.2%);
  - A lower level of the Other operational expenditures group mainly determined by the lack of payments for Scholarships (amounting to RON 14,600 th in the same period of the previous year) and the decrease in those for Cults' support (-RON 90 th, -5.3%). In addition, payments amounting to RON 1,893 th were recorded for Associations and foundations, without such amounts in Q2 2023.
- ✓ **Expenditures on debt service financing** decreased by RON 11,228 th (-16%) compared to the level recorded at Q2 2023 as a result of the decrease in payments related to Interests (-RON 8,571 th, -26.5%) and those for Loans reimbursements (-RON 2,658 th, -7.1%).
- ✓ **Total expenditures on investments** are by RON 211,781 th higher than in the previous reference period (+163.4%). Thus, these payments are mainly represented by Capital expenditures (+RON 148,789 th, +149.8%), Capital transfers (+RON 44,055 th), Projects financed from national funds (+RON 43,023 th), in conjunction with the decrease for Projects financed from non-reimbursable external funds (-RON 24,262 th, -96.5%).



## Table of contents Section IV

### Section IV:

- Balance sheet
- Local public debt service



## Balance sheet at 30.06.2024

Balance sheet	6/30/2023			12/31/2023			6/30/2024		
<b>Current assets</b>	<b>1,417,763</b>		<b>13.6%</b>	<b>1,355,547</b>		<b>12.7%</b>	<b>887,484</b>		<b>8.5%</b>
Cash and cash equivalent	629,014	44.4%	6.0%	157,879	11.6%	1.5%	173,785	19.6%	1.7%
Inventories	153,657	10.8%	1.5%	156,535	11.5%	1.5%	159,778	18.0%	1.5%
Receivables	635,090	44.8%	6.1%	1,040,975	76.8%	9.7%	544,115	61.3%	5.2%
Short term investments	-	-	-	-	-	-	-	-	-
Other current assets	2	0.0%	0.0%	158	0.0%	0.0%	9,807	1.1%	0.1%
<b>Fixed assets</b>	<b>9,007,748</b>		<b>86.4%</b>	<b>9,359,376</b>		<b>87.3%</b>	<b>9,556,350</b>		<b>91.5%</b>
Intangible assets	7,255	0.1%	0.1%	10,166	0.1%	0.1%	8,299	0.1%	0.1%
Tangible assets	8,993,768	99.8%	86.3%	9,339,725	99.8%	87.2%	9,488,690	99.3%	90.9%
Other fixed assets	6,726	0.1%	0.1%	9,486	0.1%	0.1%	59,362	0.6%	0.6%
<b>Total assets</b>	<b>10,425,511</b>			<b>10,714,924</b>			<b>10,443,834</b>		
<b>Current liabilities</b>	<b>327,827</b>		<b>3.1%</b>	<b>720,201</b>		<b>6.7%</b>	<b>220,141</b>		<b>2.1%</b>
ST borrowings and CP of LT debt	201,535	61.5%	1.9%	-	-	-	90,196	41.0%	0.9%
Accounts payable	73,732	22.5%	0.7%	666,554	92.6%	6.2%	98,955	45.0%	0.9%
Short term provisions	-	-	-	-	-	-	-	-	-
Other short term debts	52,561	16.0%	0.5%	53,647	7.4%	0.5%	30,990	14.1%	0.3%
<b>Long term debts</b>	<b>1,410,277</b>		<b>13.5%</b>	<b>1,215,637</b>		<b>11.3%</b>	<b>1,178,302</b>		<b>11.3%</b>
Long term loans	1,398,548	99.2%	13.4%	1,200,936	98.8%	11.2%	1,167,201	99.1%	11.2%
Other long term debts	5,803	0.4%	0.1%	3,688	0.3%	0.0%	11,100	0.9%	0.1%
Provisions	5,926	0.4%	0.1%	11,014	0.9%	0.1%	-	-	-
<b>Equity and reserves</b>	<b>8,687,407</b>		<b>83.3%</b>	<b>8,779,085</b>		<b>81.9%</b>	<b>9,045,392</b>		<b>86.6%</b>
<b>Total liabilities</b>	<b>10,425,511</b>			<b>10,714,924</b>			<b>10,443,834</b>		
Current liquidity ratio (Current assets / Current liabilities)	4.3			1.9			4.0		
Indebtedness level (Borrowed capital /Total liabilities)	13.4			11.2			11.2		

- ✓ **Total assets** decreased by RON 271,089 th (-2.5%) compared to the level recorded at the end of 2023, as a result of the reduction in the balance of Current assets (-RON 468,063 th, -34.5%), in conjunction with the increase in Fixed assets (+RON 196,974 th, +2.1%).
  - The decrease in **Current assets** is mainly driven by a lower level of Receivables (-RON 496,860 th, -47.7%), offset by the increase in Cash and cash equivalent (+RON 15,906 th, +10.1%), Other current assets (+RON 9,649 th) and Inventories (+RON 3,243 th, +2.1%);
  - The increase in **Fixed assets** is mainly driven by a higher level of Tangible assets (+RON 148,965 th, +1.6%), Other fixed assets (+RON 49,876 th), but also a lower level of RON 1,867 th of Intangible assets (-18.4%).
- ✓ The balance of **Current liabilities** decreased by RON 500,060 th (-69.4%), with influences especially from Accounts payable (-RON 567,599 th, -85.2%), Other payables (-RON 22,657 th, -42.2%), respectively values recorded for Bank liabilities (RON 90,196 th).
- ✓ **Long-term payables** decreased at the end of the reporting period (-RON 37,336 th, -3.1%), given the decrease in Long term loans (-RON 33,735 th, -2.8%), respectively the increase in Other long term debts (+RON 7,412 th, +201%).
- ✓ **Capitals** increased by RON 266,307 th (+3%).
- ✓ **The current liquidity ratio** is 4 at the end of the first six months of 2024, compared to 1.9 at the end of 2023, as a result of the decrease in Current liabilities (-69.4%), in contrast to the reduction in Current assets (-34.5%).

# Local public debt service at 30.06.2024

'000 RON



Debt and liquidity	30/6/2024
New credit withdrawals in the period	525
Direct debt service	58,741
Direct indebtedness rate	5.2%
Public debt service	58,741
Public indebtedness rate	5.2%

Payout	30/6/2024
Payout 2Y - 2 years	491,747
Payout 5Y - 5 years	975,291
Payout 10Y - 10 years	1,618,936
Payout 15Y - 15 years	2,056,644

Public Debt Service as % of Operational Revenues	6.5%
Public Debt Service as % of Operational Expenditures	11.2%
Long term debt % Own Funds	12.9%
Long term debt / Own Revenues (1.x)	1.5

Total revenues per capita	2,605.3 RON
Own revenues per capita	1,945.9 RON
Public Debt Service per capita	147.8 RON
Long-term loans per capita	2,936.0 RON

	2023 <sup>1)</sup>	2024 <sup>2)</sup>	2025 <sup>2)</sup>	2026 <sup>2)</sup>	2027 <sup>2)</sup>
Total revenues	1,720,303	2,855,061	2,883,611	2,912,447	2,941,572
Own revenues <sup>3)</sup>	1,416,492	1,303,182	1,316,214	1,329,376	1,342,670
Indebtedness capacity	281,283	342,165	385,087	403,589	394,877
Public debt service <sup>4)</sup>	144,913	225,116	247,325	168,771	162,618

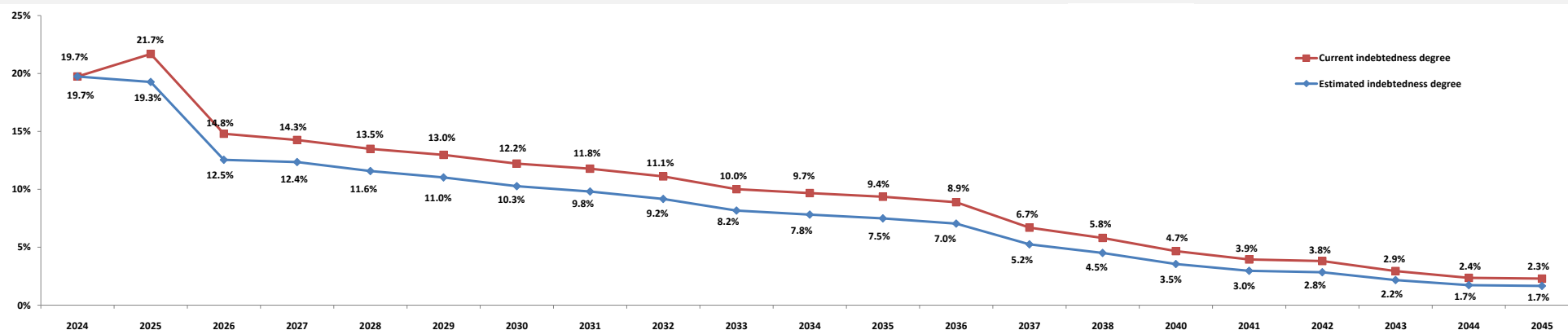
1) Revenues collected as of 2023

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

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

4) TUD estimated values for the period of 2024-2027, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30.06.2024

## Indebtedness level forecast for the period of 2024 - 2045



### Note:

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

## Glossary of terms



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



## Disclaimer

© TUD 2024. This is a public report that may be reproduced and transmitted in any form or by any means of communication and may be stored in retrieval systems of any kind, without the prior written permission of TUD or Sector 6 of the Municipality of Bucharest.

However, the format and structure of this report are the intellectual property rights of TUD and may not be duplicated, copied, or otherwise used for commercial purposes or any other purposes, other than the mentioned one.

TUD shall not be held responsible, under any circumstances, for any loss or damage caused by third parties using this publication in any form.

TUD guarantees that appropriate methods and techniques, in accordance with the legal provisions in force in Romania, were used in the preparation of this report. However, this guarantee does not make TUD responsible for any loss (of profit, business, revenue, or any other nature), any damage (direct or indirect), or any anticipated revenue loss resulting from the use of the information in this publication. TUD shall not be responsible for any potential increases in costs incurred by the client and/or their employees or agents, directly or indirectly, as a result of this publication or any error or defect in this publication.

TUD does not implicitly or expressly guarantee the accuracy of any information used in the preparation of this report, nor of any projections contained in this report, which are subjective, subject to uncertainty, and represent only the opinion of TUD.

TUD does not guarantee in any form the realization of the forecasts regarding future trends and the evolution of events, based on the information known to TUD at the date of this publication.

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

The documents that formed the basis for the preparation of this report are: the execution account for 30.06.2024, as well as that of 30.06.2023, the initial budget of the year 2024 approved by HCL no. 14 dated 08.02.2024 and that of 2023 approved by HCL no. 16 dated 02.02.2023, the revised budget by HCL no. 164 dated 27.06.2024 and the associated investment lists, as well as the revised budget by HCL no. 97 dated 24.05.2023.

This report is provided to you under the terms of these conditions of use. The use of the information in this publication in any form is subject to these terms, which have been brought to your attention. The user, by retrieving, publishing, or using the information in this publication in any other form, assumes the reading and compliance with these terms of use.