



Bacău Municipality



Quarterly financial report at 30.09.2021



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General overview



General information

The city of Bacau, also named the “city of Bacovia”, is the seat of the county with the same name, in Moldavia, Romania. It is situated on the Bistrita River, which also has a hydroelectric plant that covers a part of the local energy consumption. The Municipality of Bacau is located in the North – East region of the country, in the Central – West part of Moldavia, at just 9.6 km upstream from the Siret – Bistrita confluence.

From an administrative point of view, it is adjoining with the Hemeius and Saucesti communes, in North, with the Letea Veche commune, in East and with the Luizi – Calugara, Magura and Margineni communes, in South.

The North – East region is a development region of Romania, created in 1998. As the other development regions, it has no administrative competence, its main functions being the coordination of the regional development projects and the absorption of the funds from the European Union.

The region’s economy is based mainly on agriculture (46% out of the total population has the agriculture as main occupation) besides heavy and light industry.

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

Territorial administration	N-E Region	Bacau County	Bacau City
Territorial area (km ²) - YE2014	36,850	6,621	43
Green areas (km ²) - YE2019	3,276	806	428
Public sewerage system (km) - YE2019	4,881	1,032	377

Population (1 st January, 2020)	N-E Region	Bacau County	Bacau City
	3,999,777	738,454	197,475
female	2,003,392	373,656	103,600
male	1,996,385	364,798	93,875
0-19 years	880,194	155,385	37,379
20-59 years	2,298,791	424,961	115,377
60 years and above	820,792	158,108	44,719
urban	1,833,216	350,567	197,475
rural	2,166,561	387,887	-

Work Force (th persons)	N-E Region	Bacau County	Bacau City
Civil employment (YE2019)	1,144	202	-
Average employee number (YE2019)	583	112	65
Unemployment rate (YE 2020)	4.6%	5.4%	-

National economy

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

Regional economy (2019)	N-E Region	Bacau County
Turnover of local businesses (mil. RON), out of	121,565	23,684
Trade	57,297	12,264
Manufacturing industry	28,243	5,311
Constructions	11,462	2,604
Transport and storage	7,592	1,002

Source: <http://statistici.inse.ro>

Infrastructure

European Corridor

The region is crossed by the 9th Pan – European Corridor (its railway network), which ties the North of Europe (Helsinki, Sankt Petersburg) to a series of important capitals in the East of Europe, to Romanian and to the Balkan countries, reaching the shores of the Aegean Sea. In the same time, there are projects for the constructions of a “Moldova” highway, which will follow the route of the Siret Corridor and will tie the 9th Pan – European Corridor to the Targu Mures – Iasi highway, near Targu Neamt.

Railway network

In what regards the railway network, the region is crossed by the most important railway thoroughfare of Moldavia, the line 500. The CFR Bacau station is in the same time a railway junction, as a result of the detachment of secondary line 609 on the Bacau – Bususi – Piatra Neamt – Bicz route. The railway thoroughfare 500 is included in the European railway network TEN – T.

Roads network

Regarding the roads network, the Bacau County is crossed by 8 national roads, the most important ones intersecting with the European road E 574.

Airline network

The “George Enescu” Airport in Bacau serves not only the Bacau County, but all the central and south part of Moldavia. The aerodrome exists in Bacau from the first decades of the 20th century

Source: Bacau County Development Strategy: period 2014 - 2020;

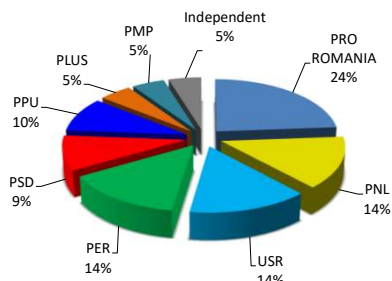
Ratios 30.09.2021*	Municipalities - county capitals						th RON
	Bacau	Botosani	Iasi	Piatra Neamt	Suceava	Vaslui	
TOTAL REVENUES (TR)	273,701	162,566	687,746	156,882	254,718	137,355	
Own revenues	235,127	128,223	552,948	120,664	170,446	87,941	
Own revenues/TR	85.9%	78.9%	80.4%	76.9%	66.9%	64.0%	
Quotas and sums deducted from the income tax	142,817	69,966	339,862	70,389	96,673	49,683	
Sums deducted from VAT	30,452	30,092	88,160	22,404	38,354	49,401	
Subsidies	5,921	10,218	28,621	8,694	11,144	4,068	
Sums received from EU	2,138	2,534	51,045	7,964	34,374	3,210	
TOTAL EXPENDITURES (TE)	216,406	145,488	599,148	121,786	254,322	105,863	
Operational expenditures	179,240	122,617	469,635	82,599	181,297	84,461	
Operational expenditures/TE	82.8%	84.3%	78.4%	67.8%	71.3%	79.8%	
Investment expenditures, out of which	11,793	14,773	103,625	12,555	59,472	20,405	
Capital expenditures	8,577	11,551	35,306	6,584	15,049	13,125	
Non-refundable external funds	2,776	2,898	64,984	5,945	43,552	7,280	
Financial expenditures	25,373	8,098	25,889	26,633	13,553	997	
CURRENT RESULT (the result of the period)	57,295	17,078	88,598	35,096	396	31,492	
Capita, as of 01.01.2020	197,222	119,521	387,103	112,186	125,191	130,622	

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

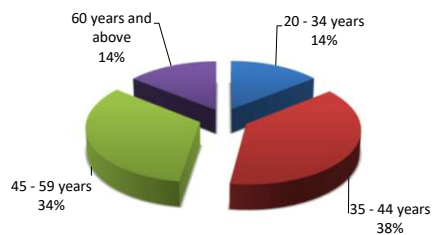
General overview

The Local Council of the Municipality of Bacau at December 31st, 2020

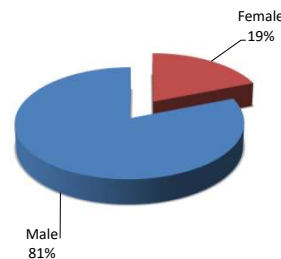
Political structure



Age distribution



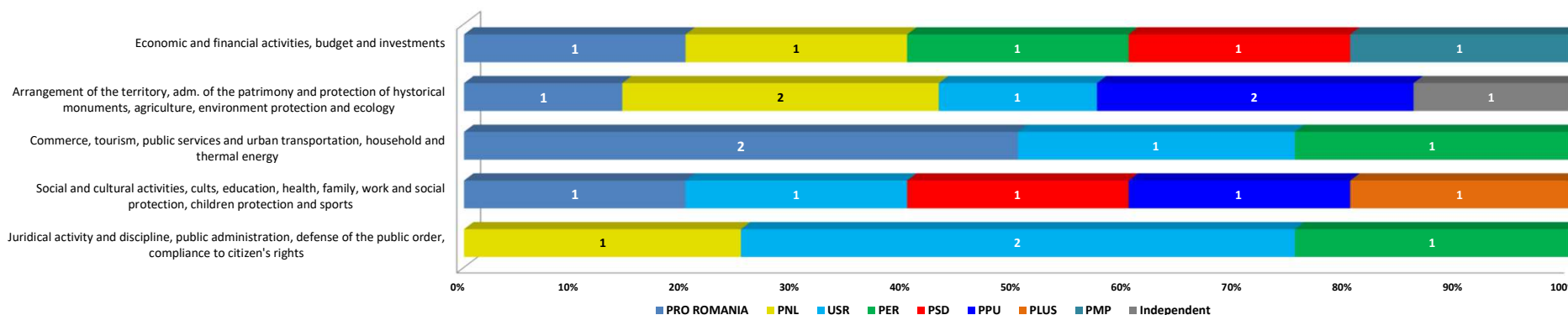
Gender distribution



Structure by political party, profession and age groups

Party	No.	Profession	Age group
PRO ROMANIA	1	Engineer	20-34 years
PRO ROMANIA	1	Engineer	45-59 years
PRO ROMANIA	1	Technician	60 years and above
PRO ROMANIA	1	Economist	35-44 years
PRO ROMANIA	1	Political scientist	45-59 years
PNL	1	Professor	35-44 years
PNL	2	Economist	45-59 years
USR	1	Jurist	45-59 years
USR	1	Engineer	60 years and above
USR	1	Professor	45-59 years
PER	1	Engineer	20-34 years
PER	1	Pharmacy assistant	45-59 years
PER	1	Economist	60 years and above
PSD	1	Jurist	20-34 years
PSD	1	Jurist	45-59 years
PSD	1	Economist	45-59 years
PPU	1	Economist	35-44 years
PPU	1	Computer network administrator	35-44 years
PLUS	1	Doctor	35-44 years
PMP	1	Economist	35-44 years
Independent	1	Architect	35-44 years

The Commissions of the Local Council of the Municipality of Bacau and their political structure



- Following the local elections from 2020, Mr. Lucian-Daniel Stanciu-Viziteu was elected as Mayor of the Bacau Municipality, representing USR-Uniunea Salvati Romania and being an engineer.
- The Deputy Mayors functions are held by Mr. Miroseanu Liviu-Alexandru, representing the National Liberal Party, being an engineer and Mr. Ghinghies Cristian, repreesenting PLUS-Partidului Libertate, Unitate si Solidaritate, manager of public organizations and services.
- Mr. Popovici Nicolae is the Secretary of the Municipality of Bacau, being a jurist.

General overview



Institutions and directions subordinated to the Local Council of the Bacău Municipality

- **Bacău City Local Police** – the current expenditures as well as the investment expenditures are financed from own revenues and subsidies from the Local Budget of Bacău City;
- **Bacău Social Assistance Department** – assures the social assistance in child protection, family, single persons, elderly, people with disabilities, as well as for any person in need;
- **Bacovia Municipal Theater Bacău;**
- **Bacău Municipal Sports Club;**
- **Home for the elderly Bacău;**
- **Bacău Pneumoftiziologie Hospital;**
- **Bacău Nursery Budget Center;**
- **Bacău Local Development Agency** – the agency's main objective is the realization of the set of measures, programs, professional activities that contribute to the economic and social development of Bacău City.



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

Cultural and social environment

Education

The education network, approved for the school year 2020 - 2021 in Bacău (by LCD no. 275/18.12.2020), covers the entire educational plan, state and special school units; thus, a number of 32 kindergartens, 21 schools (primary and secondary schools), 19 high school units operate. Also, in the city operate the Children's Palace and the Bacău County Center of Excellence. The financing of pre-university education is carried out based on the National Education Law no. 1/2011 with subsequent amendments.

Through LCD no. 232/02.11.2020, the expenses regarding the project "Digital education in pre-university education in Bacău Municipality" are approved, in order to finance it within the Competitiveness Operational Program. The total value of the project is 20,965,267.50 lei (including VAT).

Through LCD no. 239/10.11.2020, the expenses for the investment objective are approved: Modernization and rehabilitation of the TECHNICAL COMMUNICATIONS COLLEGE "N.V.KARPEN". The total value of the project is in the amount of 8,827,136.01 lei (including VAT).

Through LCD no. 261/27.11.2020 was approved the budget of the financing request "Increasing the management capacity of the sanitary crisis COVID-19 in Bacău Municipality" within the call for projects POIM / 881/9/1 / "Strengthening the capacity of state education units for management the pandemic situation caused by the SARS-COV-2 virus". The total approved value of the project is in the amount of 2,564,791.19 lei (including VAT).

Health

The Bacău County Emergency Hospital provides preventive, curative and rehabilitative medical care, primary and secondary for the inhabitants of Bacău and its communes, representing over 47% of the county's population.

Bacău Pneumoftiziologie Hospital is a medical unit subordinated to the Local Council of Bacău Municipality.

Bacău Municipal Hospital - the investments related to the construction and endowment with medical equipment are in progress. According to LCD no. 56/25.03.2020, the amounts provided in the Health chapter will be used in order to start the procedures for purchasing medical equipment from the ATI category and the emergency arrangement of floors 4 and 5 of the investment objective building "Bacău Municipal Hospital Construction", in order to provide assistance medical in the epidemiological context COVID-19.

Culture and recreation

Among the cultural landmarks of Bacău we mention: The Royal Court Ensemble, 15th-16th century, George Bacovia Memorial House, 19th century, "Bacovia" Municipal Theater, Animation Theater, History Museum, Art Museum, Museum of Natural Sciences, Astronomical Observatory, County Library, "G. Apostu" International Cultural Center, Philharmonic, "Anton Ciobanu" Ceramic Art Galleries.

For leisure and recreation, in Bacău there are 376 ha of green spaces, the most important parks being Rose Park, Căncicov Park, Hemeius Dendrological Park and Recreation Island (an artificial island, created in the middle of a lake formed by the river Bistrita, arranged for recreation).

Cultural and social environment

Social assistance

Within the Public Social Assistance Service of Bacau Municipality are organized and operate the Day Center "A school for all", the Day Center for the Child in Difficulty, the Day Center for the Child with Special Needs, the Day Center "Pensioners' Club", Family care center (foster cares) and temporary accommodation center for homeless people. Also, subordinated to the Bacau Local Council is the Home for the elderly located in Aleea Ghiocilor Street no. 2, with a capacity of 210 seats.

Environment protection

Sanitation is achieved through delegation contracts concluded with private economic operators, which serve both for waste collection and for landfill management. The operator that manages the landfill of Bacau Municipality is Eco Sud SA and the company that deals with the collection and transport of waste is Romprest Service SA. Bacau is one of the few counties in Romania that has an Integrated Solid Waste Management System. The total investment in this system is about 44 million euros.

Development

LCD no. 424/29.10.2018 approves the Project - Implementation of an IT platform with back-office and front-office components as a measure of administrative simplification and optimization of service provision for citizens in Bacau Municipality, financed in the amount of 2,814,717.57 lei, from which 2,323,727.93 lei represents the eligible non-reimbursable value from the European Social Fund, 355,393.68 lei represents the eligible non-reimbursable value from the national budget, and the amount of 54,675.96 lei represents the co-financing component eligible through the beneficiary's contribution. The project runs for a period of 27 months from the date of signing the contract for the financing application. This project aims to: implement information systems to develop and increase the complexity of online services provided to citizens, including by digitizing the archive at the City Hall of Bacau. The general objective of the project is to increase the administrative efficiency of the City Hall of Bacau by implementing innovative information systems - as measures to simplify the provision of services to citizens and the business environment. The specific objectives of the project are: optimizing the internal activities of officials, by implementing an integrated platform for managing activities and registrations, including digitization and electronic management of the archive of Bacau City Hall, implementation of a portal platform for services to be provided online to the citizens, the improvement of the abilities and knowledge of the personnel of Bacau municipality for the use of the computer systems developed through the project and for the management of the electronic documents.

LCD no. 430/06.11.2018, approved the Project - Creation of a support infrastructure for incubating the business Hub for youth - Orizont Cinema - with a total value of 21,370,616.88 lei, of which the value of the non-reimbursable financing is 9,534,057.70 lei. The start date of the project is May 29, 2019, and it will be completed on March 23, 2023. The business incubator will have the role of supporting the development of the businesses at the beginning of the activity. The incubator will provide a favorable environment for business development, by facilitating networking activities, the transfer of know-how and by providing support in the development of partnerships. The general objective of the project is the development of the entrepreneurial environment in the municipality and in the region by supporting the entrepreneurial initiatives in the creative field, the development of the local economic competitiveness and the consolidation of the market position of the small and medium enterprises. The specific objectives of the project are: creation and development of a business incubator to stimulate the entrepreneurial environment locally and in the region, increase the occupancy of the incubator up to 70% with resident companies in the incubation period, until the end of the implementation period, increasing the number of jobs created with at least one employee for each incubated or accelerated enterprise, until the end of the project implementation.

On 10.10.2019, Bacau Municipality decides to carry out a project in partnership with the Bacau Local Development Agency. It consists in the realization of the first modern traffic management system in Bacau for the prioritization of local public transport corridors and bicycle trips. The total value of the investment is 91,429,550.68 lei, and the duration of the investment is 36 months, of which 24 months the execution. Through this project, traffic management systems will be created and expanded, composed of the following subsystems and sub-activities: CCTV video monitoring systems; Adaptive and synchronized signaling and traffic light systems; Location systems for urban public transport and management; Real time passenger information systems; Software application subsystems for real-time information to users on the transit program, including travel planning software applications; Other information systems; Location of vehicle detection sensors; Equipping the command center for traffic management, with specific software and hardware components; Occasional works for rehabilitation / modernization of road infrastructure in the area of intersections; Subsystems intended to sanction deviations from traffic and street arrangement rules through specific application modules and equipment; Fiber optic network, to ensure the communication system between the traffic lights and the Management and Command Center.

LCD no. 221/19.10.2020, approved the project budget and the expenses necessary for the investment objective "Corridor for non-motorized trips for leisure: Center-Leisure Island", in order to finance it within the Regional Operational Program 2014-2020. The total approved value of the project is in the amount of 4,405,092.55 lei (including VAT).

By LCD no. 243/10.11.2020, the list of priority investments within the Regional Project for the development of water and wastewater infrastructure in Bacau County is approved, in the period 2014-2020. The value of the investments related to Bacau Municipality is in the amount of RON 339,357,455.6 th (excluding VAT).



Bucharest (2020-2021)

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

For 2020:

I. Quotas and amounts deducted from the income tax: distribution 100%

By derogation from art. 32 and 33 of Law 273/2006 on local public finances, the quotas for the distribution of income tax to Local Budgets is amended, so that the state budget law for 2020 and subsequently by GEO 60/17.04.2020 provides the following:

1. Quotas deducted from the income tax: change of the allocation percentage, increase from 63% to **65%**;
2. Sums allocated from the quotas deducted from income tax for balancing: change of the quota from 14% to **15%**
Allocation: 15%: County; si 85%: Communes, Cities and Municipality.
3. Equally, the fund is available to the County Councils: **6%**
4. The Local Budget of the County: **15%**

5. In a separate account, distributed by Government Decision for the financing of the public institutions of shows and concerts under the subordination of the local public administration from counties, respectively theaters, opera and philharmonics: **3%**

II. Value added tax: allocated level RON 15,078.40 mil (vs. RON 14,792.30 mil in 2019), of which for balancing RON 8,164.80 mil (criteria: ATU with estimated revenues at $I.1 < lei$ 830/capita/year and respectively lei 1.500 th lei/ATU).

For 2021:

I. Quotas and amounts deducted from the income tax: distribution 100%

By derogation from art. 32 and 33 of Law 273/2006 on local public finances, the quotas for the distribution of income tax to Local Budgets is amended, so that the state budget law for 2021 (no. 15/2021) provides the following:

1. Quotas deducted from the income tax: allocation percentage 63%;
2. Sums allocated from the quotas deducted from income tax for balancing: change of the quota from 15% to 14%
Allocation: 15%: County; si 85%: Communes, Cities and Municipality.
3. Equally, the fund is available to the County Councils: 6%
4. The Local Budget of the County: 15%

5. In a separate account, distributed by Government Decision for the financing of the public institutions of shows and concerts under the subordination of the local public administration from counties, respectively theaters, opera and philharmonics: 2%

II. Value added tax: allocated level RON 18,496 mil (vs. RON 15,078.40 mil in 2020), of which for balancing RON 7,097.20 mil (criteria: ATU with estimated revenues at $I.1 < lei$ 800/capita/year and respectively lei 1.500 th lei/ATU).

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Section I: Summary of budgetary dynamics

- Revenue and expenditure balance at Q3 2021 vs. Q3 2020
- Revenue and expenditure structure

Balance of revenues and expenditures

at Q3 2021, as compared to Q3 2020

'000 RON



	Q3 2020	Q3 2021	%
TOTAL REVENUES	286,969.2	273,819.3	▼ -4.6%
TOTAL EXPENDITURES	268,371.6	216,406.5	▼ -19.4%
Operational Revenues	270,320.9	265,220.8	▼ -1.9%
Tax revenues	227,012.4	225,649.3	▼ -0.6%
Own tax revenues	169,677.5	195,197.0	▲ 15.0%
Sums deducted from VAT	57,335.0	30,452.4	▼ -46.9%
Non - tax revenues, out of which:	40,484.1	39,512.2	▼ -2.4%
Non - tax own revenues	17,160.7	17,133.1	▼ -0.2%
Donations and sponsorships	5.1	1.1	▼ -78.5%
Current subsidies	2,752.4	59.3	▼ -97.8%
Operational Expenditures (OPEX), out of which:	210,669.9	179,240.2	▼ -14.9%
Staff costs (PEREX)	51,913.6	50,048.7	▼ -3.6%
Goods and services*	73,244.2	69,322.4	▼ -5.4%
Current transfers	25,080.2	24,715.0	▼ -1.5%
Social assistance	16,409.1	15,004.0	▼ -8.6%
Subsidies	31,572.0	5,000.0	▼ -84.2%
Other expenditures	1,899.2	9,395.0	▲ 394.7%
Operational Result	59,651.0	85,980.6	
Operational Surplus (% from OPEX)	28.3%	48.0%	
Operational Deficit (% from Op. revenues)	-	-	
Investment Revenues	14,487.1	8,587.3	▼ -40.7%
Capital revenues	298.1	587.7	▲ 97.1%
Capital subsidies	12,651.2	5,861.5	▼ -53.7%
Sums received from the EU	1,537.8	2,138.2	▲ 39.0%
Investment Expenditures (CAPEX), out of which:	33,377.7	11,792.8	▼ -64.7%
Capital transfers	1,927.1	1,192.8	▼ -38.1%
Projects with EU financing	4,067.3	2,776.1	▼ -31.7%
Capital expenditures	27,383.3	7,823.9	▼ -71.4%
Result from the investment activity	- 18,890.6	- 3,205.5	
Financial Revenues	2,161.2	11.2	▼ -99.5%
Financial operations	2,161.2	11.2	▼ -99.5%
Financial Expenditures	24,324.0	25,373.5	▲ 4.3%
Commissions related to loans	89.3	166.5	▲ 86.5%
Interests	5,812.8	4,760.3	▼ -18.1%
Reimbursement of loans	18,422.0	20,446.7	▲ 11.0%
Financial Result	- 22,162.8	- 25,362.3	
Result of the period	18,597.5	57,412.8	▲ 208.7%
Surplus (% from Total Expenditures)	6.9%	26.5%	
Deficit (% from Total Revenues)	-	-	
Result of the period (without previous year's surplus)	16,436.3	57,401.7	▲ 249.2%
Own revenues/Operational revenues (%)	78.7%	88.7%	
OPEX/Own revenues (%)	99.1%	76.2%	
(OPEX-PEREX, from Education&Insurance and social assistance)/(O. Rev.-Quotas deducted from the income tax) (%)	212.9%	169.0%	

- At the end of the first nine months of this year, the Operating result records a surplus of RON 85.980,6 th, representing 48% of the Operational expenditures, with RON 26.329,6 th (+44,1%) above the level of the surplus recorded in the similar period of 2020. The evolution is determined by a decrease in Operational revenues (RON -5.100 th, -1,9%), coupled with a decrease in Operational expenditures (RON -31.429,7 th, -14,9%).
- The result from the investment activity knows at Q3 2021 a deficit worth of RON 3.205,3 th. The current year's deficit is below the level recorded at Q3 2020 mainly based on a declining level of Investment expenditures (RON - 21.584,9 th, -64,7%). At the same time, Investment revenues are declining by RON 5.899,8 th.
- The financial result marks a deficit worth RON 25.362,3 th, compared to the negative result recorded at Q3 2020 (RON -22.162,8 th), based on higher Financial expenditures (RON +1.049,4 th, +4,3%), but also the reduced value of the Financial revenues namely RON 11,2 th compared to the value of RON 2.161,2 th at Q3 2020.
- The result of the period (without uses from the previous surplus) is a positive one in both periods. A therefore, taking into account the operating surplus used to cover the deficits resulting from the investment and financial activities, the result of the period registers a surplus of RON 57.401,7 th.

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

Revenues and expenditures balance at Q3 2021, as compared to Q3 2020

'000 RON



Payments performed at Q3 2021, as compared to Q3 2020 (Variation)

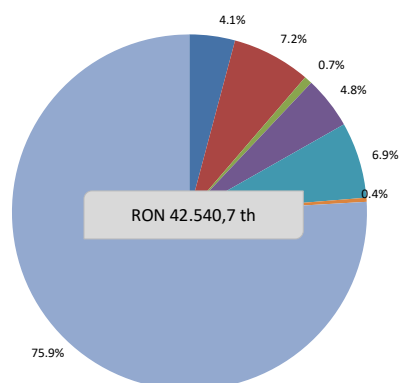
Budgetary chapter	TOTAL EXPENDITURES	Operational expenditures, out of which:				Financial Expenditures	Investment Expenditures	Investment expenditures (Budget 2021)
		Total Operational Expenditures	Staff costs	Goods and services*	Social assistance			
Public Authorities and external actions	▲ 353.3	▼ -656.7	65.4	-676.7	0.0	▲ 1,040.5	▼ -30.5	3,962.7
Other general public services	▼ -1,186.5	▼ -1,131.7	-55.2	-962.4	0.0	■ 0.0	▼ -54.8	131.0
Transactions regarding the public debt and loans	▼ -975.3	■ 0.0	0.0	0.0	0.0	▼ -975.3	■ 0.0	0.0
General Transfers between different levels of administration	■ 0.0	■ 0.0	0.0	0.0	0.0	■ 0.0	■ 0.0	0.0
Defense	■ 0.0	■ 0.0	0.0	0.0	0.0	■ 0.0	■ 0.0	0.0
Public order and national security	▼ -3,909.1	▼ -2,538.5	33.1	-2,255.8	0.0	■ 0.0	▼ -1,370.6	50.0
Education	▲ 10,369.6	▲ 11,268.2	0.0	2,568.9	12.4	■ 0.0	▼ -898.6	28,668.6
Health	▼ -5,700.4	▼ -911.9	0.0	0.0	0.0	■ 0.0	▼ -4,788.4	17,268.8
Culture, recreation and religion	▼ -2,387.4	▼ -1,832.1	-384.5	-2,436.5	0.0	■ 0.0	▼ -555.4	7,578.4
Insurance and social assistance	▼ -2,969.6	▼ -3,411.6	-495.5	-1,224.4	-1,417.5	■ 0.0	▲ 442.0	8,464.3
Housing, public services and	▼ -1,552.1	▼ -1,233.7	-253.1	-818.1	0.0	■ 0.0	▼ -318.4	774.8
Environment protection	▲ 1,067.0	▲ 4,275.2	-749.5	10,546.1	0.0	■ 0.0	▼ -3,208.2	34,597.8
General economic, commercial and working actions	■ 0.0	■ 0.0	0.0	0.0	0.0	■ 0.0	■ 0.0	0.0
Fuel and power	▼ -33,690.7	▼ -26,567.4	0.0	0.0	0.0	▲ 984.2	▼ -8,107.5	20,240.6
Agriculture, Forestry, Fish breeding and	■ 0.0	■ 0.0	0.0	0.0	0.0	■ 0.0	■ 0.0	0.0
Transport	▼ -11,384.1	▼ -8,689.5	-25.7	-8,662.9	0.0	■ 0.0	▼ -2,694.6	51,261.6
Other economic actions	■ 0.0	■ 0.0	0.0	0.0	0.0	■ 0.0	■ 0.0	0.0
TOTAL	▼ -51,965.1	▼ -31,429.7	-1,864.9	-3,921.8	-1,405.1	▲ 1,049.4	▼ -21,584.9	172,998.6

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

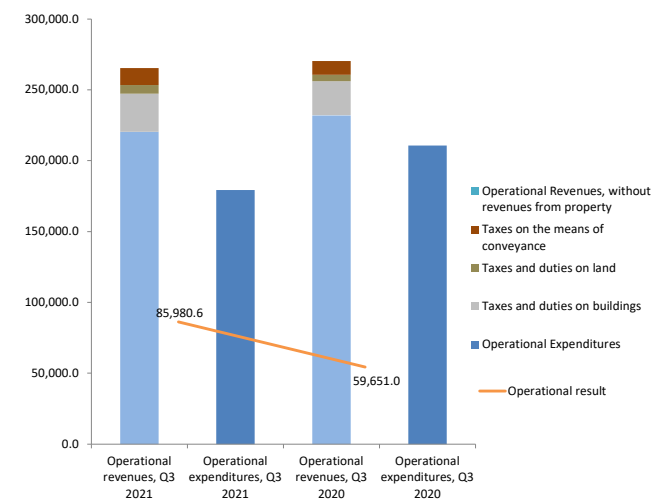
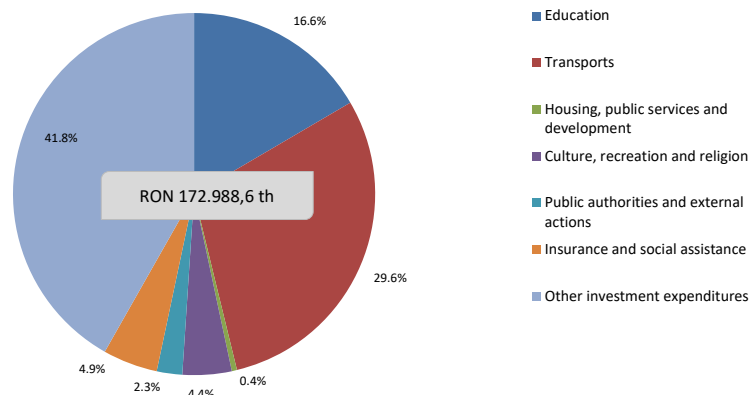
Distribution of the Investment expenditures in 2021 (according to the budget), as compared to the distribution of the execution in 2020

Structure of the Operational Result (Q3 2021 vs. Q3 2020)

Investment expenditures, execution 2020



Investment expenditures, budget 2021

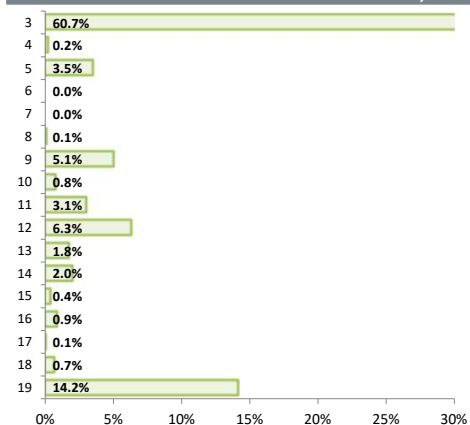


Revenue and expenditure structure la data de 30.09.2021

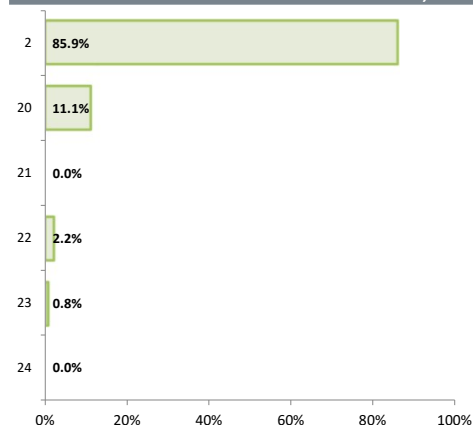
'000 RON



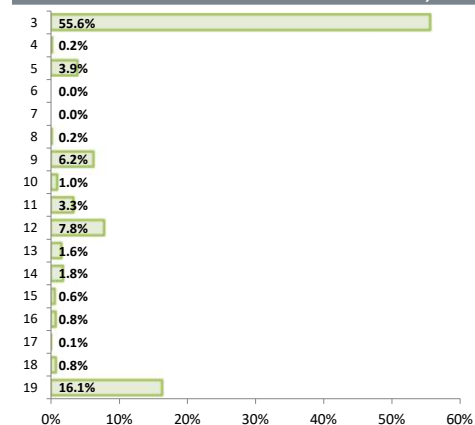
The structure of performed own revenues
235,306.8



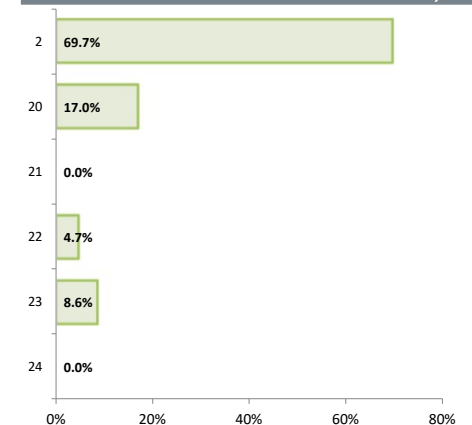
The structure of performed total revenues
273,819.3



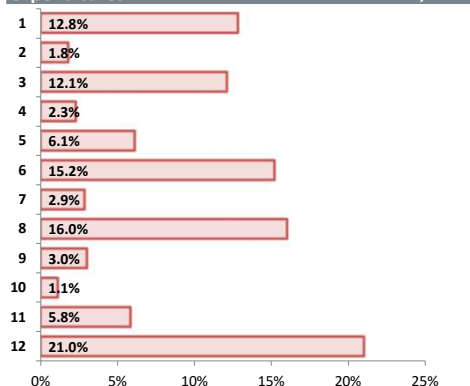
The structure of planned own revenues
240,819.6



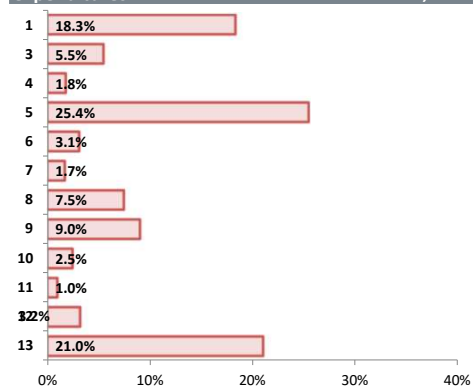
The structure of planned total revenues
345,671.8



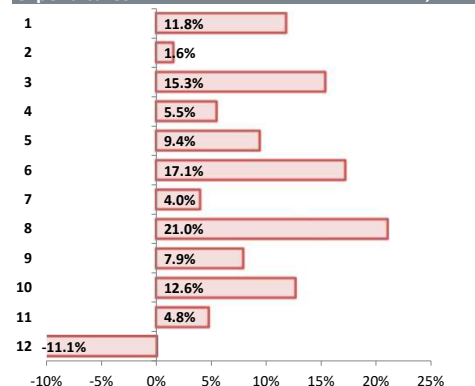
The structure of performed functional expenditures
273,819.3



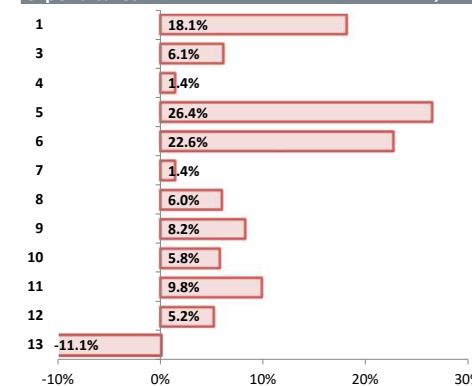
The structure performed economic expenditures
273,819.3



The structure of planned functional expenditures
345,671.8



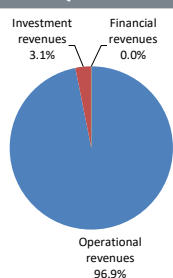
The structure of planned economic expenditures
345,671.8



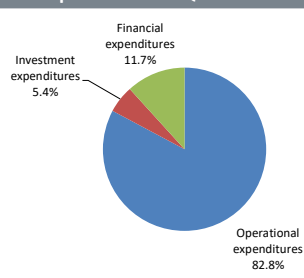
Note: The vertical axis reflects the components of the income/expenses detailed in the revenues/expenses statement;

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

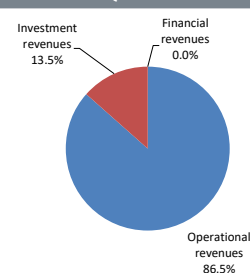
Collected revenues at Q3 2021



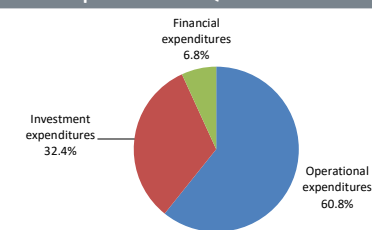
Performed expenditures at Q3 2021



Planned revenues at Q3 2021



Planned expenditures at Q3 2021





Section II: Budgetary Revenues

- The situation of the revenues collected at 30.09.2021
- The variation of the performed revenues at Q3 2021 compared to Q3 2020
- Budgetary provisions: the achievement degree of the revenues at Q3 2021
- Revenues ratios

The situation of the revenues collected at 30.09.2021

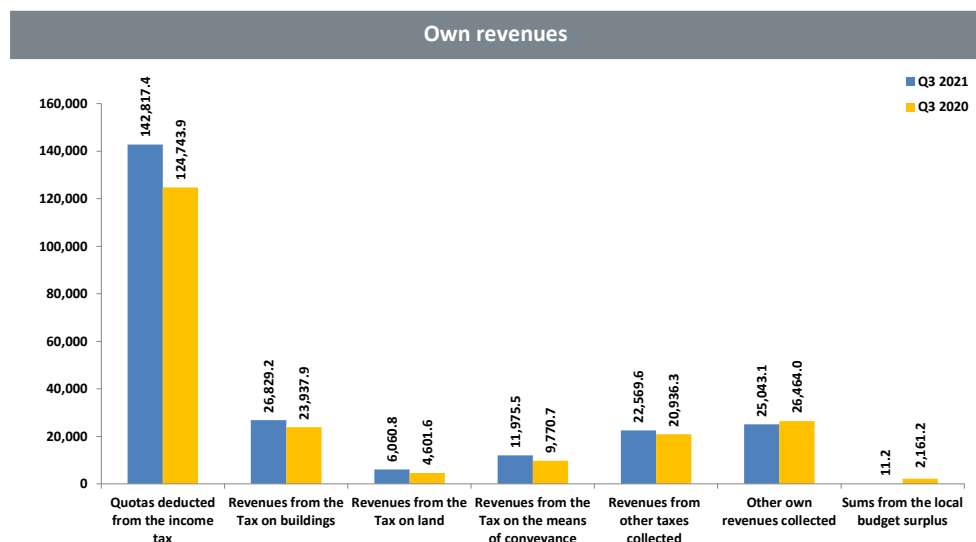
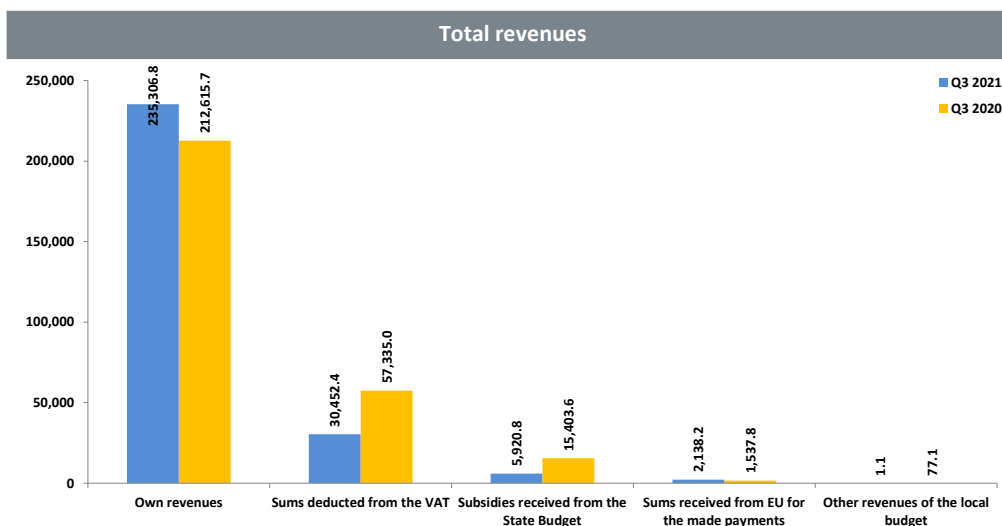
'000 RON



2021										2020									
Line	Revenues	Planned 2021	% /TRC	Planned at Q3	% /TRC	Rectified at Q3	% /TRC	Execution at Q3	% /TRC	Planned 2020	% /TRC	Planned at Q3	% /TRC	Rectified at Q3	% /TRC	Execution at Q3	% /TRC		
1	Total revenues (TR)	448,628.6		345,671.8		377,195.3		273,819.3		337,866.4		274,220.8		344,036.7		286,969.2			
2	Own revenues, out of which:	304,967.9	68.0	240,819.6	69.7	244,726.2	64.9	235,306.8	85.9	273,691.8	81.0	218,128.2	79.5	245,076.7	71.2	212,615.7	74.7		
3	Quotas deducted from the income tax	175,894.0	39.2	133,946.0	38.7	142,818.0	37.9	142,817.4	52.2	163,810.0	48.5	122,859.0	44.8	122,492.0	35.6	124,680.2	43.8		
4	Capital revenues	631.0	0.1	531.0	0.2	681.0	0.2	587.7	0.2	-	-	-	-	-	-	298.1	0.1		
5	Revenues from concessions and rents	10,569.0	2.4	9,377.0	2.7	9,377.0	2.5	8,336.8	3.0	9,978.5	3.0	8,786.5	3.2	13,139.0	3.8	7,142.1	2.5		
6	Payments from net profit of self-governing administration,	49.0	0.0	49.0	0.0	49.0	0.0	48.8	0.0	15.0	0.0	15.0	0.0	57.3	0.0	57.3	0.0		
7	Revenues from dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
8	Tax on revenues from the transfer of real estate from the	562.0	0.1	465.0	0.1	465.0	0.1	293.9	0.1	562.0	0.2	465.0	0.2	465.0	0.1	314.8	0.1		
9	Tax on buildings from the population	16,045.0	3.6	14,945.0	4.3	12,945.0	3.4	11,897.0	4.3	14,223.5	4.2	11,556.0	4.2	15,456.0	4.5	10,621.6	3.7		
10	Tax on land from the population	2,840.0	0.6	2,312.0	0.7	2,312.0	0.6	1,881.8	0.7	6,456.4	1.9	5,928.4	2.2	5,928.4	1.7	1,635.2	0.6		
11	Tax on the means of conveyance owned by the population	9,111.0	2.0	8,000.0	2.3	10,268.4	2.7	7,179.4	2.6	7,112.0	2.1	6,000.0	2.2	6,000.0	1.7	5,870.2	2.1		
12	Tax on buildings from the legal entities	22,779.0	5.1	18,701.0	5.4	15,937.0	4.2	14,932.2	5.5	13,533.0	4.0	13,033.0	4.8	16,819.0	4.9	13,316.3	4.7		
13	Tax on land from the legal entities	4,465.0	1.0	3,830.0	1.1	3,830.0	1.0	4,179.0	1.5	3,181.0	0.9	2,546.0	0.9	5,092.4	1.5	2,966.5	1.0		
14	Tax on the means of conveyance owned by the legal entities	4,969.0	1.1	4,394.0	1.3	7,274.0	1.9	4,796.1	1.8	4,675.0	1.4	4,400.0	1.6	10,400.0	3.0	3,900.5	1.4		
15	Fees and charges for the issuance of licences and functioning authorisations	1,813.0	0.4	1,478.0	0.4	1,478.0	0.4	1,018.9	0.4	1,613.0	0.5	1,478.0	0.5	1,478.0	0.4	1,282.9	0.5		
16	Stamp duties, for notary work and other stamp duties	2,285.0	0.5	1,835.0	0.5	1,835.0	0.5	2,122.8	0.8	2,245.0	0.7	1,795.0	0.7	1,795.0	0.5	1,504.9	0.5		
17	Extrajudicial stamp duties	215.0	0.0	180.0	0.1	180.0	0.0	183.5	0.1	215.0	0.1	180.0	0.1	180.0	0.1	134.7	0.0		
18	Revenues from fines and other legal sanctions	2,300.0	0.5	1,900.0	0.5	1,900.0	0.5	1,671.4	0.6	2,400.0	0.7	2,000.0	0.7	2,000.0	0.6	1,313.8	0.5		
19	Other own revenues	50,440.9	11.2	38,876.6	11.2	33,369.7	8.8	33,360.1	12.2	43,672.4	12.9	37,086.4	13.5	43,774.6	12.7	37,576.7	13.2		
	Sums allocated from the quotas deducted from income tax to balance the local budgets	-	-	-	-	64,934.0	17.2	-	-	-	-	-	-	154.0	0.0	63.7	0.0		
20	Sums deducted from the VAT	77,317.0	17.2	58,817.0	17.0	64,934.0	17.2	30,452.4	11.1	35,301.0	10.4	27,219.0	9.9	57,830.0	16.8	57,335.0	20.1		
21	Donations and sponsorships	-	-	-	-	-	-	1.1	0.0	-	-	-	-	-	-	5.1	0.0		
22	Subsidies received from the State Budget	18,926.4	4.2	16,294.7	4.7	21,615.2	5.7	5,920.8	2.2	18,556.6	5.5	18,556.6	6.8	26,046.7	7.6	15,403.6	5.4		
23	Sums received from EU for the made payments	47,417.3	10.6	29,740.5	8.6	45,920.0	12.2	2,138.2	0.8	10,317.0	3.1	10,317.0	3.8	15,008.6	4.4	1,537.8	0.5		
24	Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	74.7	0.0	72.0	0.0		
		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR		% /TR			
Operational revenues		381,654.9	85.1	299,106.6	86.5	308,980.0	81.9	265,220.8	96.9	308,992.8	91.5	245,347.2	89.5	305,783.7	88.9	270,320.9	94.2		
Investment revenues		66,973.7	14.9	46,565.2	13.5	68,215.3	18.1	8,587.3	3.14	28,873.6	8.5	28,873.6	10.5	38,253.0	11.1	14,487.1	5.05		
Financial revenues		-	-	-	-	-	-	11.2	0.0	-	-	-	-	-	-	2,161.2	0.8		
Total revenues - operating section		311,935.5	69.5	233,225.1	67.5	247,316.8	65.6	261,148.2	95.4	278,034.9	82.3	214,389.3	78.2	263,731.4	76.7	253,042.8	88.2		
Total revenues - development section, out of which:		136,693.1	30.5	112,446.7	32.5	129,878.6	34.4	12,671.1	4.6	59,831.5	17.7	59,831.5	21.8	80,305.2	23.3	33,926.3	11.8		
Previous surplus		-	-	-	-	-	-	11.2	0.0	-	-	-	-	-	-	2,161.2	0.8		
Total revenues collected (TRC* = TR - Previous surplus)		448,628.6	100.0	345,671.8	100.0	377,195.3	100.0	273,808.1	100.0	337,866.4	100.0	274,220.8	100.0	344,036.7	100.0	284,808.0	99.2		
*) %TRC - Represents the weight of each line in Total Revenues Collected (without reserves);																			
Revenues from the tax on property		60,209.0	13.4	52,182.0	15.1	52,566.4	13.9	44,865.6	16.4	49,180.9	14.6	43,463.4	15.8	59,695.7	17.4	38,310.3	13.5		
9 + 12	Taxes and duties on buildings	38,824.0	8.7	33,646.0	9.7	28,882.0	7.7	26,829.2	9.8	27,756.5	8.2	24,589.0	9.0	32,275.0	9.4	23,937.9	8.4		
10 + 13	Tax and duties on land	7,305.0	1.6	6,142.0	1.8	6,142.0	1.6	6,060.8	2.2	9,637.4	2.9	8,474.4	3.1	11,020.7	3.2	4,601.6	1.6		
11 + 14	Taxes on the means of conveyance	14,080.0	3.1	12,394.0	3.6	17,542.4	4.7	11,975.5	4.4	11,787.0	3.5	10,400.0	3.8	16,400.0	4.8	9,770.7	3.4		

The variation of the performed revenues at Q3 2021 compared to Q3 2020

'000 RON



- The revenues collected to the local budget decreased by 3,9%, respectively by RON 10.999,8 th, down to RON 273.808,1 th. Taking into consideration the sums used from the previous surplus for expenditures' financing, the revenues went down by 4,6%, respectively by RON 13.149,9 th, having in view that in Q3 2020 Sums from the local budget surplus used for financing the development expenditures were recorded in amount of RON 2.161,2 th, as opposed to such revenues in the amount of RON 11,2 th in the first three quarters of the current year.
- Own revenues**, holding a share of 85,9% in the total revenues collected during the reporting period, recorded an increase of RON 22.691,1 th (+10,7%).
- Sums deducted from VAT** recorded a decrease by 46,9% down to RON 30.452,4 th. Thus, the Sums deducted from VAT for balancing local budgets were no longer recorded, although their value was of RON 27.878 th at Q3 2020, while the value of Sums deducted from VAT increased for the financing of expenditures of villages, towns, municipalities, with RON 654 mii th, respectively RON 341,4 th Sums deducted from VAT for financing of private and confessional education.
- Subsidies received from the State budget** decreased by RON 9.482,8 th, with influences reflected at the level of capital ones (RON -6.789,8 th, especially at the level of the District Heating Program, for which no amounts have been recorded although their value was of RON 4.652,8 th at Q3 2021 and for the Financing of the National Program of Local Development subsidies were lower by RON 2.179,2 th), but also at the level of the current Subsidies, lower by RON 2.693 th (-97,8%) as opposed to the level recorded in the similar period of the previous year considering that Subsidies from the state budget were no longer recorded for the settlement of quarantine expenditures (their value being of RON 2.431,2 th at Q3 2020).

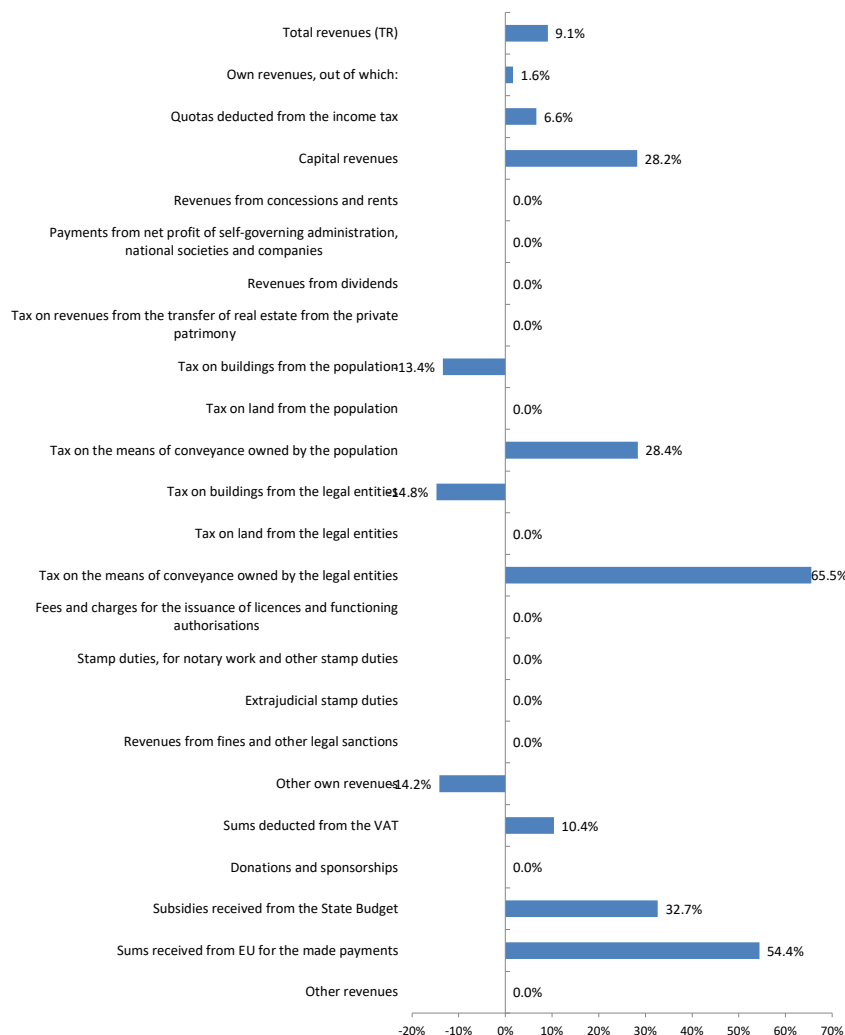
- Sums received from the EU in the account of performed payments** faced an increase by RON 600,4 th, up to level of RON 2.138,2 th. The recorded increases are related to the 2014-2020 financial framework, namely RON 1.302,5 th, entirely for the European Social Fund (RON +1.552,5 th) counterbalanced by the decrease by RON 250 th of the revenues from the European Regional Development Fund programs. In the same time, Sums received from the EU/other donors in the account of performed payments and pre-financings were no longer recorded (in the amount of RON 702,1 th at Q3 2020).
- Own revenues** reach the value of RON 235.306,8 th during the reporting period, and the most important influences that determine the group's evolution are found at the level of the following revenue categories:
 - Quotas and amounts deducted from the revenue tax*, with an increase of RON 18.073,6 th (+14,5%), Quotas and amounts deducted from the revenue tax;
 - Revenues from tax on property*, with RON 6.555,3 th (+17,1%) above the level of the reference period of 2020, mainly due to the sums collected from legal persons (RON +3.724 th), the ones from physical persons recording a less accelerated increase (RON +2.831,3 th). The significant increase in these taxes is determined by the level of the Tax on buildings (RON +2,891,3 th), followed by increased collections from taxes on transport (RON +2.204,8 th);
 - Other taxes collected from the local budget*, with an increase of RON 1.633,2 th (+7,8%), mainly determined by Special taxes (RON +673,7 th, +4,6), Stamp duties for notary work and other stamp duties (RON +617,9 th, +41,1), Other taxes and fees (RON +509,9 th, +28,4%).
 - Other own voluntary transfers* decreased with RON 5.426,4 th (-98,7%), up to the value of RON 72,6 th, while the value of the Revenues from services increased with RON 1.847,6 th (+32,8%).

Budgetary provisions

Achievement degree of the revenues at Q3 2021

'000 RON

Budgetary rectification, as compared to the initial provisions



- The initial budget of revenues and expenditures was rectified through Local Council Decision no. 326 of 30.09.2020. By this, the provisions afferent to the total revenues were included, with RON 31.523,6 th (+9,1%) above the level of the initial ones. The initial provisions were modified following the rectification of the main revenue categories such as:
- For **Sums received from the EU in the account of performed payments**, provisions were included in the amount of RON 45.920 th in the final budget, with RON 16.179,5 th above the level provided in the initial budget (+54,5%). The increase of the provisions is fully recorded at the level of sums afferent to the 2014-2020 financial framework, namely afferent to the programs financed from the European Regional Development Fund.
- **Quotas deducted from the revenue tax** increased in the rectified budget with RON 8.872 th above the initial level (+6,6%), up to the value of RON 142.818 th.
- **Sums deducted from VAT** increased with RON 6.117 th in the rectified budget at Q3 2021 (+10,4%), considering the provision increase for the balancing of the local budgets (RON +4.767 th), the ones for financing of expenditures for villages, towns, municipalities, districts and Bucharest Municipality (RON +1.120 th) and the ones for financing private and confesional education (RON +230 th).
- **Subsidies from the state budget** increased with RON 5.320,5 th above the level provided in the initial budget (+32,7%), up to the value of RON 21.615,2 th, mostly by inclusion of provisions of RON 2.903 th for state budget Subsidies towards local budgets, for the financing of health investments and an increase with RON 2.417,6 th of state budget Subsidies towards local budgets necessary for sustenance of the deployment of projects financed from non-reimbursable external funds (NEF) post-accession, related to the 2014-2020 financial framework.
- Within the **Revenues from tax on property**, collections were provided, higher with RON 5.148,4 th for Tax on transpor and with RON 4.767 th lower for Tax on buildings.
- At the level of **special Taxes**, the final provisions were lowered with RON 5.000 th as opposed to the initial provisions, up to the value of RON 17.364,2 th.

Budgetary provisions

Achievement degree of the revenues at Q3 2021

'000 RON



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

- Total revenues collected to the local budget at the end of the reporting period are with RON 103.387,2 th below the level of budgetary provisions, thus marking an achievement degree of 72,6%.
- **Investment revenues** are with RON 59.628 th below the estimated level (with an execution degree of 12,6%), mainly because:
 - *Sums that were received from the EU in the account of performed payments* (recorded at the value of RON 2.138,2 th) but were initially estimated at the value of RON 45.920 th, their evolution being mainly determined by the execution under provisions of Sums received in the account of performed payments in the current year, related to the European Regional Development Fund, which were collected with RON 39.900,3 th below the estimations.
 - *Capital subsidies* (recording the level of RON 5.861,5 th), decreased with RON 15.752,8 th, as opposed to the provisions included in the final budget, through the sums related to Subsidies from the state budget towards the local budgets necessary for sustenance of deployment of projects financed from non-reimbursable external funds (NEF) post-accession related to the 2014-2020 financial framework, collected with RON 7.251,5 th under provisions, those for Financing the National Program for Local Development (RON -3.757,4 th), followed by the lack of Subsidies from the state budget towards the local budgets for financing medical equipment and emergency medical communication equipment (included in the final budget at the value of RON 2.903 th) and those for sustaining the District Heating Program (provisions in the amount of RON 1.800 th).
- **Operational revenues** are placed with RON 43,759.2 th below the level estimated in the budget, reaching an execution degree of 85,8%. The structure of the budget execution is influenced in the interval analyzed by the following categories of revenues:
 - *Sums deducted from VAT*, lower by RON 34.481,7 th (achievement degree of 46,9%), mostly due to non-collection of amounts deducted from VAT for balancing local budgets (estimation at the value of RON 24.323 th in the final budget), followed by the amounts for financing expenditures at the level of municipalities (RON -9.683 th, -25,4%), followed by the execution with RON 475,7 th below initial provisions of the Sums deducted from VAT for financing private and confesional education.
 - *Revenues from the tax on property*, being with RON 7.700,9 th under the estimated level because of amounts collected from physical persons (RON -4.567,2 th) and legal persons (RON -3.133,7 th), respectively, significant influences from taxes on transport (RON -5.556,9 th) and taxes on buildings (RON -2.052,8 th).
 - *Diverse revenues*, group that recorded a performance degree of 94,4% from budgetary provisions (RON -1.014,6 th), determined by the value with RON 2.194,5 th (-12,6%) below the budgetary level of Special taxes, counterbalanced by the degree of execution of 296,7% from Other revenues, namely with RON 1.179,9 th over the final provisions.
 - From *Fines, penalties and confiscations*, revenues of RON 807,4 th were collected, value below the planned level, reflecting an execution degree of 87%;
- **Financial revenues** recorded at Q3 2021 the value RON 11,2 th, although they were not included in the final budget, representing Sums from the local budget surplus used for financing of expenditures related to the development section.

Revenues ratios

at Q3 2021, as compared to Q3 2020

'000 RON



Ratios	Q3 2021	Q3 2020
Revenues from the tax on property	44,869.3	38,313.1
Revenues per Capita	227.5 RON	194.3 RON
The revenue weight in the total revenues	16.4%	13.4%
Own tax revenues	195,197.0	169,677.5
Revenues per Capita	989.7 RON	860.6 RON
The revenue weight in the total revenues	71.3%	59.1%
Total current revenues (autonomous)	265,161.5	267,496.5
Revenues per Capita	1,344.5 RON	1,356.8 RON
The revenue weight in the total revenues	96.8%	93.2%
Operational revenues	265,220.8	270,320.9
Revenues per Capita	1,344.8 RON	1,371.1 RON
The revenue weight in the total revenues	96.9%	94.2%
Investment revenues	8,587.31	14,487.1
Revenues per Capita	43.5 RON	73.5 RON
The revenue weight in the total revenues	3.14%	5.05%
Total revenues per Capita	1,388.4 RON	1,455.6 RON
Own revenues per Capita	1,193.1 RON	1,078.4 RON
The level of financing from the own revenues	85.9%	74.1%
The degree of self-financing	33.8%	30.6%
The degree of dependency of the local budget to the state budget	13.3%	25.4%
The degree of decisional autonomy	85.9%	83.8%
The degree of achievement of the revenues from the initial budget	79.2%	104.6%
The degree of achievement of the revenues from the final budget	72.6%	83.4%
The degree of achievement of the own revenues from the initial budget	97.7%	97.5%
The degree of achievement of the own revenues from the final budget	96.2%	86.8%
The degree of achievement of the property taxes from the initial budget	86.0%	88.1%
The degree of achievement of the property taxes from the final budget	85.3%	64.2%
The annual estimate from the local tax revenues (maximum probability)	58,853.4	51,647.8
The annual estimate from the local tax revenues (rectified budget)	69,951.4	73,188.3
The degree of achievement of the annual revenues estimated from the local tax revenues	118.9%	141.7%
The collection degree from the initial budget of the revenues from:		
Quotas deducted from the income tax	106.6%	101.8%
Taxes on buildings from the population	79.6%	111.2%
Taxes on land from the population	81.4%	29.4%
Taxes on the means of conveyance from the population	89.7%	117.4%
Taxes on buildings from legal entities	79.8%	118.8%
Taxes on land from legal entities	109.1%	145.9%
Taxes on the means of conveyance from legal entities	109.2%	111.4%
Capita, as of:	197,222 01.01.2020	197,155 01.01.2019

- **Revenues from the tax on property** went up by RON 6.556,1 th (+17,1%), due to collection from Tax on buildings (RON +2.891,3 th, +12,1%), on transport (RON +2.204,8 th, +22,6%) and on lands (RON +1.459,2 th, +31,7%).
- **Tax own revenues** are higher with RON 25.519,5 th (+15%) mainly as a result of:
 - Increase of *Quotas deducted from revenue tax* (RON +18.137,2 th);
 - Increase of *Revenues from the tax on property*;
 - Increase of *Stamp duties for notary work and other stamp duties* (RON +617,9 th, +41,1%) and of the level of *Other taxes and duties* (RON +509,9 th, +28,4%);
- **Total current revenues (autonomous)** reached a level by RON 2.335 th (-0,9%) lower, as a result of:
 - Tax revenues decreased by RON 1.363,1 th (-0,6%), with influences from the Tax revenues and the Sums deducted from VAT (RON -7.123 th, -36%);
 - Non-fiscal revenues, lower by RON 971,9 th (-2,4%), mainly as a result of the revenues from Other voluntary transfers (RON -5.426,4 th), from Sales of goods and services (RON -2.158,1 th, -6,5%), Revenues from the tax on property (RON +1.186,2 th) and Fines, penalties and confiscations (RON +698,4 th, +14,9%);
- **Operational revenues** collected in the analyzed interval are lower by RON 5.100 th (-1,9%), the evolution being generated by a decreased level of the Current revenues (RON -2.335 th, -0,9%) and Current subsidies (RON -2.693 th, especially related to the Subsidies received from the state budget for the settlement of quarantine expenditures, which were not recorded to Q3 2021).
- **Investment revenues** are lower by RON 5.899,8 th (-40,7%). These revenues are related to Capital subsidies (RON -6.789,8 th), Sums received from the EU/other donors into the account of performed payments and pre-financings related to the 2014-2020 financial framework (RON +1.302,5 th) and Sums received from the EU/other donors into the account of performed payments and pre-financings (without values at Q2 2021, but in the amount of RON 702,1 th at Q3 2020), respectively, increase by RON 289,6 th of the Capital revenues' value.

Table of contents Section III



Section III: Budgetary expenditures (functional classification)

- The situation of the expenditures performed at 30.09.2021
- The variation of the performed expenditures at Q3 2021 vs. Q3 2020
- Budgetary provisions: the achievement degree of the expenditures at Q3 2021

The situation of the expenditures performed at 30.09.2021

'000 RON



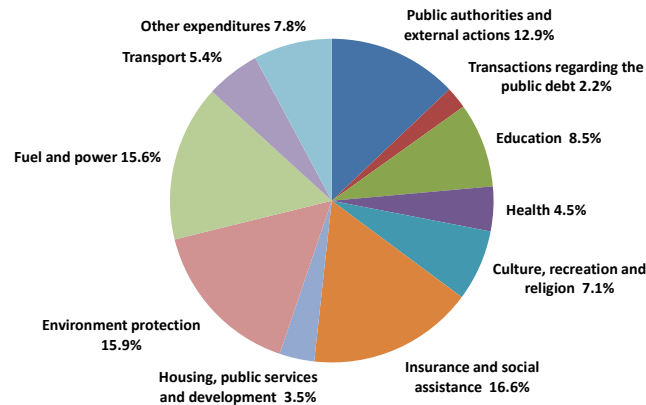
2021									2020								
Line	Expenditures	Planned 2021	% /TP	Planned at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP	Planned 2020	% /TP	Planned at Q3	% /TP	Rectified at Q3	% /TP	Execution at Q3	% /TP
Functional classification		448,628.6		345,671.8		377,195.3		273,819.3		337,866.4		274,220.8		344,036.7		286,969.2	
1	Public authorities and external actions	51,776.7	11.1	40,747.3	10.6	42,624.3	10.1	35,038.6	16.2	51,122.1	14.7	43,040.7	13.5	43,830.9	11.2	34,685.2	12.9
2	Transactions regarding the public debt (interest and fees)	7,416.0	1.6	5,539.0	1.4	5,952.0	1.4	4,926.7	2.3	9,053.8	2.6	7,522.5	2.4	7,522.5	1.9	5,902.0	2.2
3	Education	62,139.9	13.3	53,004.7	13.8	70,009.5	16.5	33,058.4	15.3	27,174.3	7.8	24,378.3	7.6	34,226.8	8.8	22,688.8	8.5
4	Health	26,363.2	5.6	19,014.1	5.0	18,800.3	4.4	6,270.7	2.9	18,543.4	5.3	17,081.7	5.4	22,990.7	5.9	11,971.0	4.5
5	Culture, recreation and religion	39,140.8	8.4	32,493.0	8.5	31,120.0	7.4	16,712.5	7.7	37,980.6	10.9	32,485.1	10.2	32,824.2	8.4	19,099.9	7.1
6	Insurance and social assistance	70,082.3	15.0	59,265.0	15.4	59,577.1	14.1	41,497.6	19.2	67,319.6	19.4	64,678.6	20.3	65,315.9	16.7	44,467.2	16.6
7	Housing, public service and development	16,237.5	3.5	13,891.2	3.6	14,940.2	3.5	7,846.3	3.6	12,958.3	3.7	12,122.3	3.8	13,056.1	3.3	9,398.4	3.5
8	Environment protection	83,632.6	17.9	72,509.1	18.9	78,812.1	18.6	43,751.6	20.2	67,106.2	19.3	63,632.2	19.9	65,351.7	16.7	42,684.5	15.9
9	Fuel and power	33,139.6	7.1	27,357.6	7.1	32,525.6	7.7	8,248.4	3.8	12,641.4	3.6	11,641.4	3.6	49,312.8	12.6	41,939.1	15.6
10	Transport	56,686.7	12.1	43,685.1	11.4	47,335.1	11.2	3,090.6	1.4	27,448.2	7.9	27,304.2	8.6	29,448.6	7.5	14,474.7	5.4
11	Other expenditures	20,872.0	4.5	16,609.9	4.3	21,567.9	5.1	15,965.2	7.4	16,414.8	4.7	15,354.8	4.8	26,754.3	6.8	21,060.8	7.8
12	Reserves, Surplus / Deficit	-	18,858.5	-	38,444.0	-	46,068.6	57,412.8		-	9,896.2	-	45,020.9	-	46,597.9	18,597.5	
Economic classification		448,628.6		345,671.8		377,195.3		273,819.3		337,866.4		274,220.8		344,036.7		286,969.2	
1	Staff costs, of which:	78,314.2	16.8	62,522.4	16.3	60,773.6	14.4	50,048.7	23.1	75,897.9	21.8	64,720.2	20.3	64,799.6	16.6	51,913.6	19.3
	without those for Education and Insurance and social assistance	44,525.1	9.5	34,009.3	8.9	33,155.3	7.8	27,076.6	12.5	40,914.2	11.8	32,089.5	10.1	32,114.5	8.2	28,446.0	10.6
2	Social assistance	22,702.6	4.9	21,140.6	5.5	21,940.6	5.2	15,004.0	6.9	19,650.0	5.7	19,622.0	6.1	21,696.2	5.6	16,409.1	6.1
3	Subsidies	5,000.0	1.1	5,000.0	1.3	5,000.0	1.2	5,000.0	2.3	5,500.0	1.6	5,500.0	1.7	31,572.0	8.1	31,572.0	11.8
4	Goods and services	109,891.9	23.5	91,252.4	23.8	108,225.7	25.6	69,488.8	32.1	91,264.9	26.2	87,438.5	27.4	99,825.0	25.6	73,333.4	27.3
5	Capital expenditures	87,974.8	18.8	78,207.8	20.4	62,022.7	14.7	8,576.8	4.0	47,259.8	13.6	47,259.8	14.8	59,901.8	15.3	27,402.7	10.2
6	Interest	6,845.0	1.5	4,968.0	1.3	5,273.0	1.2	4,760.3	2.2	8,744.6	2.5	7,238.3	2.3	7,238.3	1.9	5,812.8	2.2
7	Loan reimbursements	27,317.0	5.8	20,658.6	5.4	20,658.6	4.9	20,446.7	9.4	25,975.0	7.5	21,249.6	6.7	21,249.6	5.4	18,422.0	6.9
8	Current transfers	35,027.0	7.5	28,468.2	7.4	28,921.1	6.8	24,715.0	11.4	33,116.0	9.5	28,034.8	8.8	32,692.1	8.4	25,080.2	9.3
9	Internal transfers	20,859.8	4.5	19,943.8	5.2	37,827.2	8.9	6,798.1	3.1	16,641.3	4.8	16,155.3	5.1	22,078.9	5.7	11,406.5	4.3
10	Projects financed from non-reimbursable external funds	55,344.8	11.8	34,021.3	8.9	52,618.4	12.4	2,776.1	1.3	15,200.5	4.4	15,200.5	4.8	23,207.2	5.9	4,067.3	1.5
11	Other expenditures	18,210.0	3.9	17,932.7	4.7	20,003.1	4.7	8,791.9	4.1	8,512.7	2.4	6,822.8	2.1	6,373.8	1.6	2,952.1	1.1
12	Reserves, Surplus / Deficit	-	18,858.5	-	38,444.0	-	46,068.6	57,412.8		-	9,896.2	-	45,020.9	-	46,597.9	18,597.5	
Total payments (TP) <i>(total expenditures performed without considering the periods' result)</i>		467,487.2		384,115.8		423,264.0		216,406.5		347,762.6		319,241.7		390,634.5		268,371.6	
Operational expenditures		277,202.5	59.3	233,457.1	60.8	250,118.4	59.1	179,240.2	82.8	243,006.1	69.9	220,741.9	69.1	271,661.0	69.5	210,669.9	78.5
Investment expenditures		155,551.7	33.3	124,461.1	32.4	146,535.0	34.6	11,792.8	5.4	69,727.7	20.1	69,727.7	21.8	90,201.5	23.1	33,377.7	12.4
Financial expenditures		34,733.0	7.4	26,197.6	6.8	26,610.6	6.3	25,373.5	11.7	35,028.8	10.1	28,772.1	9.0	28,772.1	7.4	24,324.0	9.1
Total of the Operating Section		311,935.5	66.7	259,654.7	67.6	276,729.0	65.4	204,613.7	94.6	278,034.9	79.9	249,514.0	78.2	300,433.1	76.9	234,993.9	87.6
Reserves, surplus/deficit for the operating section		-	-	26,429.6	-	29,412.2	-	56,534.6	-	-	-	-	-	36,701.6	-	18,048.9	-
Total of the Development Section		155,551.7	33.3	124,461.1	32.4	146,535.0	34.6	11,792.8	5.4	69,727.7	20.1	69,727.7	21.8	90,201.5	23.1	33,377.7	12.4
Reserves, surplus/deficit for the development section		-	-	12,014.4	-	16,656.5	-	878.3	-	-	-	-	-	9,896.2	-	548.6	-

The variation of the performed expenditures at Q3 2021 vs. Q3 2020

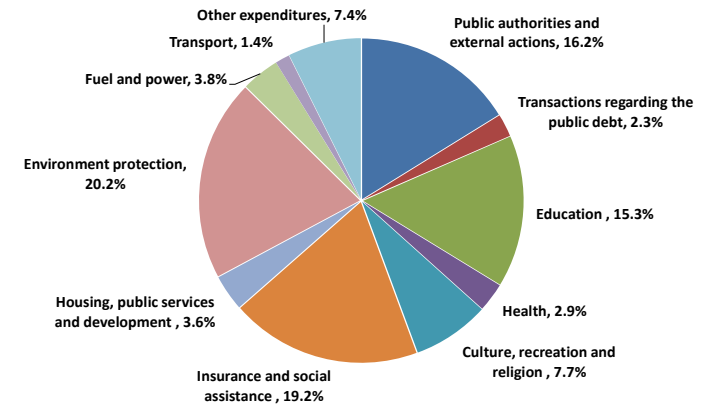
Functional classification

'000 RON

The structure of the payments performed at Q3 2020



The structure of the payments performed at Q3 2021



- The level of the payments made, recorded a downward trend by RON 51.965,1 th (-19,4%) below the budgetary execution of the reference period of the previous year.
- Within the chapter **Fuel and power**, payments made at Q3 2021 were with RON 33.690,7 th (-80,3%) below the executed level in the first three quarters of the previous year. Decreases can be found in the subchapters: Heating energy (RON -25.583,2 th) and Other expenditures on fuel and power (RON -8.107,5 th).
- The **Transport** chapter registered a decrease of payments by RON 11.384,1 th, (-78,6%) as opposed to Q3 2020, payments lower by RON 10.939,9 th are recorded in paragraph Streets, and by RON 444,3 th lower for Other expenditures in transport.
- In the **Health** chapter, payments were made of RON 6.270,7 th, their value being with RON 5.700,4 th below the recorded value at Q3 2020 (-47,6%), the decrease in payments being fully noted at the level of the General Hospitals paragraph.
- The group of chapters which are part of **Other expenditures** faced a decrease by RON 5.095,6 th (-24,2%) as opposed to the similar period of the previous year, this being generated by payments made for: Civil protection and fire protection (non-military civil protection) (RON -3.593,2 th), Other general public services (RON -930,1 th).
- **Other general public services** – payments made diminished by RON 2.969,6 th (-6,7%), influences coming mostly from Other expenditures in the social assistance field (RON -2.104,7 th, -23,6%), and Social support (RON -906,7 th, -28,8%).
- Within the **Culture, recreation and religion** chapter, lower expenditures are recorded, by RON 2.387,4 th (-12,5%). The downward trend is mainly determined by the evolutions of paragraph Maintenance of public gardens, parks, green areas, sports and leisure centers (RON -2.986,1 th, -32%), and of subchapter Other services in the field of culture, recreation and religion for which no payments were recorded but which reached the value of RON 371 th at Q3 2020, counterbalanced by the increase of payments made for the paragraph Sport, by RON 1.505,7 th (+32,9%).
- The **Housing, services and public development** chapter reflected a decrease by RON 1.552,1 th, considering that in the first three quarters of the current year lower payments were recorded for Public lighting and rural electrification (RON -663,7 th, -13,9%), Other services for housing, public services and rural development (RON -631,1 th) public services and rural development (RON -257 th, -21,8%).
- **Transactions regarding the public debt and loans** recorded payments with RON 975,3 th below the level performed at Q3 2020 (-16,5%), by decrease of payments for Interest related to direct internal public debt (RON -1.052,5 th), counterbalanced by the increase in value of Commissions and other costs for debts (RON +77,2 th).
- The **Education** chapter marks the most significant increase of payments at Q3 2021 as opposed to the similar period of the previous year, namely by RON 10.369,6 th (+45,7%), as a result of: increasing payments for secondary education (RON +10.985,1 th) and decreasing of those for Preschool and Primary Education (RON -633,9 th).
- Within the **Environment protection** chapter, payments went up by RON 1.067 th (+2,5%), as a result of higher expenditures by RON 3.286,3 th (+10,4%) for Sanitation and waste management and lower payments by RON 2.219,3 th for Canalization and treatment of wastewater (-19,9%).
- Payments afferent to chapter **Public authorities and external actions** recorded an increase by RON 353,3 th (+1%) compared to the previous reference period.

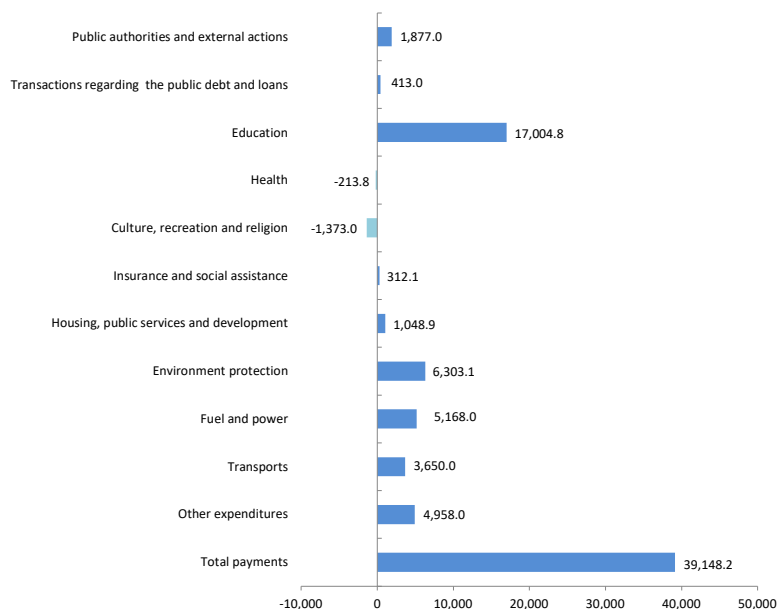
Budgetary provisions

Functional classification

'000 RON



Functional expenditures rectification, as compared to the initial budget



The last budgetary rectification of the first nine months of the current year, states an increase of payments by RON 39.148,2 th (+10,2%) as opposed to the initial budget for the reference period, namely, up to the total of RON 423.264 th.

The rectification mainly concerned the following chapters of expenditure:

- **Education** (RON +17.004 th, +32,1%), up to the value of RON 70.009,5 th, the following subchapters having been rectified: Secondary education (RON +28.919,4 th); Preschool and primary education (RON +428,2 th) and Other expenditure on education (RON -12.342,8 th);
 - Education – total allocations through the initial budget amounting to RON 11.099,7 th, increased by the rectified budget at RON 28.668,6 th, having as source the local budget, NEF, transfers from the state budget and surplus, as:
 - ongoing works (RON 5.318,4 th);
 - new works (RON 2.398,8 th) - Arrangement and change of partial destination for the C2 building with the destination of practical training workshops and food laboratory at Grigore Antipa College (RON 1.000 th);
 - other investment expenditures (RON 20.951,4 th);
- **Environment protection** (+8,7%, up to the amount of RON 78.812,1 th): the provisions related to the Sanitation paragraph have been increased (RON +4.635,7 th, +23,3%) and those for Collection, treatment and destruction of waste (RON +4.043,9 th, +16,2%) while those for Canalization and treatment of wastewater have decreased (RON -1.198,8 th, -4,5%) and no provisions have been included for Other services in the environment protection field (in the amount of RON 1.177,7 th in the initial budget).
 - Environment protection – total allocations through the initial budget of RON 21.399,5 th, increased at RON 24.779,7 th by budget rectification, having as sources the local budget, transfers from the state budget and surplus, as:
 - ongoing works (RON 12.395,3 th) - Bacău Municipality Water Reserve (RON 9.748,3 th); Closing of cell 1- Waste storage (RON 590 th);
 - other investment expenditures (RON 12.133,8 th);
- **Fuel and power** (+18,9%, up to the amount of RON 32.525,6 th) the provisions related to Other expenditures for fuel and power being exclusively increased by RON 5.168 th;
 - Fuel and power – total allocations through the initial budget of RON 19.529,7 th, the value being reduced by rectification to RON 2.929,7 th, avand ca surse bugetul lo having as sources the local budget, NEF, transfers from the state budget, as:
 - ongoing works (RON 2.221 th) – fully for the Development of the thermal energy market - stage III – Connection to SACET of the Bacău County Hospital;
 - other investment expenditures (RON 708,7 th);

Budgetary provisions

Functional classification

'000 RON



- **Other expenditures** (+29,8%, up to the amount of RON 21.567,9 th): for this expenditure group, the provisions for Civil protection and fire protection were mainly increased (non-military civil protection) (RON +3.030,1 th), Other general public services (RON +1.288 th) and Local police (RON +579,9 th);
 - Other general public services – total allocations, in both the initial and final budget, in the amount of RON 131 th, having as sources the local budget and NEF, as:
 - ongoing works (RON 50 th);
 - other investment expenditures (RON 81 mii th);
 - Public order and national security – total allocations RON 50 th, fully from the local budget, for ongoing works.
 - Transport (+8,4%, up to the value of RON 47.335,1 th) the provisions related to the paragraph Strazi being increased exclusively;
 - Transport – total allocations through the initial budget amounting to RON 52.111,6 th, decreased however by final provisions, to the value of RON 51.261,6 th, having as sources the local budget, NEF and transfers from the state budget as:
 - ongoing works (RON 43.741,6 th) - Modernization of public transportation stations, Regional Operational Program submission (RON 12.202,3 th); Traffic management system for prioritizing local public transportation corridors and cycling (RON 9.474 th); Corridor for non-motorized trips Canciov Park - Stadium - Swimming Pool Vasile Alecsandri University (RON 6.759,7 th);
 - new works (RON 238 th) – fully for Traffic Light of 205 Calea Republicii, with inductive detection;
 - other investment expenditures (RON 7.282 th).
- **Public Authorities and external actions** (+4,6%, up to the amount of RON 42.624,3 th), the final provisions being with RON 1.877 th above the level allocated through the initial budget;
 - Public Authorities and external actions – total initial allocations amounting to RON 4.251,7 th, decreased at RON 3.962,7 th through rectification, having as source the local budget and NEF, as:
 - ongoing works (RON 50 th);
 - other investment expenditures (RON 4.201,7 th);
- **Housing, public services and development** (+7,6%, up to the amount of RON 14.940,2 th): the provisions for Other services for housing, public services and rural development being mainly increased (RON +1.326,9 th, +32%) and decreased for Public lighting and rural electrification (RON -505 th, -6%);
 - Housing, public services and development – total allocations RON 6.886,6 th, having as source the local budget and external loans, as:
 - ongoing works (RON 50 th);
 - other investment expenditures (RON 3.916,7 th);
- **Culture, recreation and religion** (-4,2%, up to the amount of RON 31.120 th): the provisions related to the paragraph Sport have been mainly decreased (RON -902 th, -10,7%) and Public institutions for shows and concerts (RON -680,1 th, -10%);
 - Culture, recreation and religion – total allocations through the initial budget RON 13.744,6 th, being decreased by rectification to the value of RON 7.557,4 th, having as source the local budget, NEF, as:
 - ongoing works (RON 3.866,4 th) - Creating a support infrastructure for business incubation , Hub for the young' - Cinema Orizont, Regional Operational Program submission (RON 3.059,2 th);
 - new works (RON 190 th) - Rehabilitation and modernization of the ensemble Central Hotel and Bacovia Theater (RON 150 th);
 - other investment expenditures (RON 3.521 th);

Budgetary provisions

Functional classification

'000 RON



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

- Payments made in the first nine months are worth RON 216.406,5 th, namely, by RON 206.857,5 th below the level of the initial budgetary provisions (recording a degree of execution of 51,1%). Due to the approval of the initial budget in April, the institution incurred monthly expenditures without exceeding 1/12 of last year's budget provisions, except for the duly justified special cases (based on the provisions of Law no. 273/2006).
- Within the chapter of **Transport**, expenditures were incurred that represented 6,5% of the total initial provisions related to the chapter (RON -44.244,5 th). For the paragraph Street, payments were by RON 43.410,2 th below provisions (-94,5%), and for Other expenditures for transport, by RON 834,3 th below the ceiling (-59,9%).
- **Education**, chapter that registered a degree of achievement of 47,2% (RON -36.951,1 th) as a result of reduced payments for: Secondary education (RON -32.989,7 th, -56,2%) and Preschool and Primary Education (RON -3.561,5 th, -32,9%).
- Payments made for **Environment protection** mark an execution degree of 55,5% from the final provisions (RON -35.060,6 th). Consequently, the execution under the provisions of subchapter Sanitation and waste management is noted (RON -18.693,5 th) and Canalization and treatment of wastewater (RON -16.367,1 th).
- Within **Fuel and power**, payments made at Q3 2021 marked an achievement degree of 25,4% from the total initial provisions (RON -24.277,2 th). The dynamic is reflected at the level of expenditures made for Other expenditures for fuel and power (RON -14.802,9 th) and for Heating energy, below the ceiling by RON 4.306,4 th (-35%).
- **Insurance and social assistance**, chapter that records payments under the ceiling by RON 18.079,5 th and an execution degree of 69,7%. For Other expenditures in the insurance and social assistance field payments were made by RON 5.104,2 th below the ceiling (-42,8%), for Social assistance for the disabled lower payments are executed by RON 4.195,9 th (execution degree 85,1%), for Nurseries by RON 4.593,1 th (-53,3%) under provisions, namely, for Social support (RON -3.259,1 th, -59,2%).
- **Culture, recreation and religion**, chapter that recorded a degree of execution of 53,7% from the final provisions, with payments lower by RON 14.407,5 th. Thus, for Maintenance of public gardens, parks, green areas, sports and leisure centers, payments were made representing 37,5% of the rectified estimates (RON -10.249,2 th) and for Public institutions for shows and concerts payment were lower by RON 1.829,7 th (-30,1%).
- **Health**, payments below the ceiling by RON 12.529,6 th, execution degree of 33,4%. For General Hospitals lower expenditures were made by RON 12.308,1 th, and for Other sanitary establishments and actions no payments were made, although they were set at the value of RON 221,5 th.
- For **Public Authorities and external actions**, payments were made that marked a degree of achievement of 82,2% of the final ceiling (RON -7.585,7 th).
- **Housing, public services and development**, chapter that registered a degree of achievement of 52,5% from the provisions (RON -7.093,8 th). Payments below the ceiling are found for Public lighting and rural electrification (RON -3.862,2 th) and Other services for housing, public services and rural development (RON -2.658,7 th).
- The group of chapters that form **Other expenditures** marks a degree of execution of 74%, payments being with RON 5.602,7 th below the rectified ceiling. For Civil protection and fire protection, performed payments were with RON 1.909,1 th below the final provisions (execution degree 64,1%), followed by payments to the Local police (RON -1.289,2 th, -12,5%), Other general public services by 42,9% below the ceiling (RON -1.214,8 th), namely, for Community public services for persons' evidence, payments were by 36,1% below the provisions (RON -1.089,5 th).



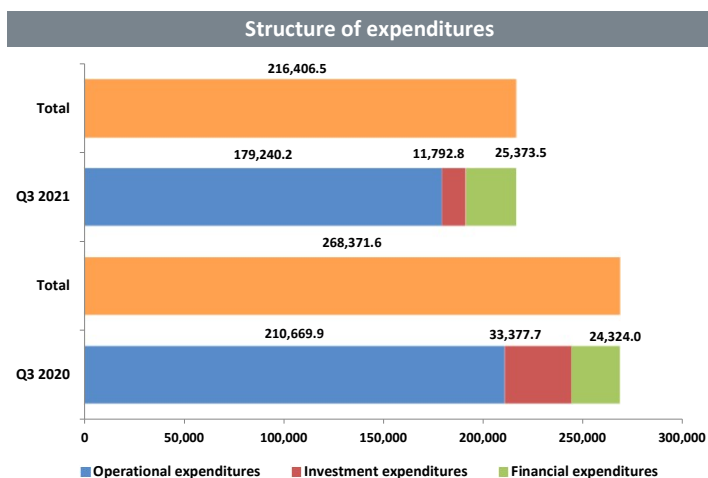
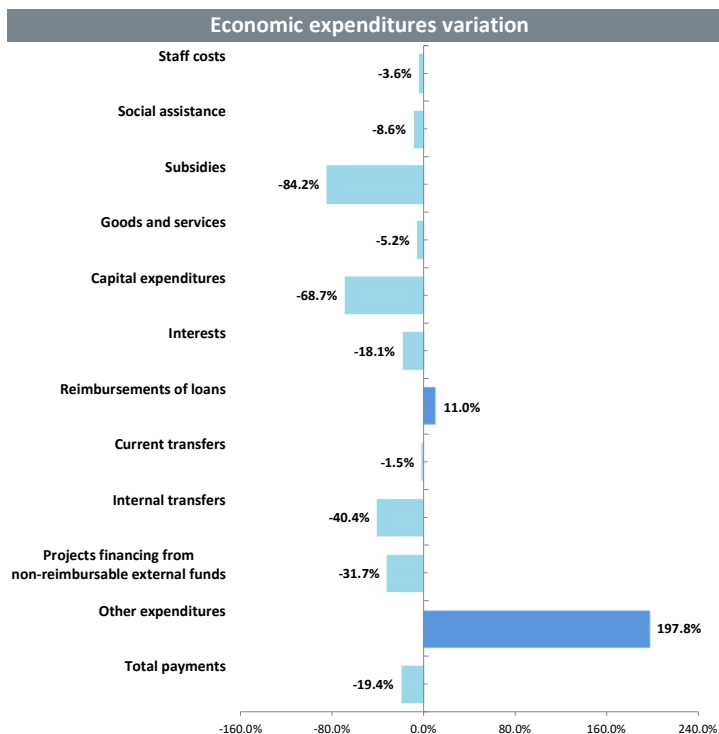
Section III: Budgetary expenditures (economic classification)

- The variation of the performed expenditures at Q3 2021 vs. Q3 2020
- Budgetary provisions: the achievement degree of the expenditures at Q3 2021
- Expenditures ratios

The variation of the performed expenditures at Q3 2021 vs. Q3 2020

Economic classification

'000 RON



- **Operational expenditures** record a level by RON 31.429,7 th (-14,9%) below the one of the similar period of the previous year, as a result of:
 - The value of *Subsidies for covering price and tax differences* decreased by RON 15.526,2 th, while Other subsidies were no longer collected at Q3 2021 but they recorded the value of RON 11.045,7 th in the first nine months of the previous year.
 - The value of *Other internal current transfers* decreased by RON 5.417,9 th (-60,5%) compared to the previous similar period.
 - A lower payment level for *Goods and services* (with no Commissions and other costs for debts) by RON 3.921,8 th lower (-5,2%). The evolution is highlighted mainly at the level of payments for Current repairs (RON -10.118,4 th, -71,6%), Other expenditures with goods and services (RON -3.947,7 th, -39,7%), Other registered materials (RON -1.972,1 th, -82,8%), Other materials and services for maintenance and functioning (RON +9.564,4 th, +52,6%) and Contributions of local public administrations to the achievement of several public local services, based on partnership and association agreements (RON +2.379,1 th, +51,3%).
 - Decrease of payments for *Social support* by RON 1.405,1 th (-8,6%) at the level of Gift tickets granted for social expenditures (RON -782,1 th) and Social support in cash (-RON 642,7 th).
 - For *Other expenditures*, there is an increase in payments by RON 7.901,4 th, since higher expenditures were incurred for Scholarships by RON 8.061,6 th, but those related to Unfitted disabled individuals decreased (RON -176,4 th) and for Cult support by RON 109,6 th.
- **Investment expenditures** record a value by RON 21.584,9 th (-64,7%) lower as opposed to the execution of the previous reference period. Thus, these payments are mainly represented by:
 - *Capital expenditures* (RON -18.825,8 th, -68,7%), with influences from payments for Constructions (RON -14.779,4 th, -64,1%) and Other fixed assets, including capital repairs (RON -4.016,2 th, -94,6%).
 - *Projects financed from non-reimbursable external funds* (RON -1.291,2 th, -31,7%), with influences of payments related to the 2014-2020 financial framework (RON +2.428,9 th) and of Projects financed from non-reimbursable external funds (NEF) post-accession (RON -3.720,1 th).
 - *Capital transfers* in the amount of RON 149,8 th at Q3 2021, in decrease by RON 922,4 th as opposed to payments made at Q3 2020, fully for Transfers for financing the investments on hospitals.
- **Financial expenditures** increased by RON 1.049,4 th (+4,3%) as opposed to the level recorded at Q3 2020 mainly through an increase of Reimbursement of loans (RON +2.024,7 th, +11%), counterbalanced by the decrease of Interest Payments by RON 1.052,5 th (-18,1%).

Budgetary provisions

Economic classification

'000 RON



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

- **Investment expenditures** reach a payment level of RON 134.742,2 th (execution degree 8%) below the planification and are distributed as follows:
 - *Capital expenditures* are with RON 53.445,8 th (execution degree 13,8%) below the estimated level, the main variation coming from payments for Constructions (RON -28.889,5 th, -77,7%), Other fixed assets, including capital repairs (RON -14.826,8 th) and non - payment for Machines, equipments and means of conveyance, provided in the final budget in the amount of RON 9.695 th;
 - *Projects financed from non-reimbursable external funds* record payments with RON 49.842,3 th (execution degree 5,3%) below the estimations' level, influences being observed at the level of the 2014-2020 financial framework (RON -49.770,5 th, -98,9%);
 - *Investments of economic agents with state capital* were placed with RON 26.086 th below the forecasted level (execution degree 96,2%);
 - *Capital transfers* marked an execution degree of 3,1% of the total estimated through the rectified budget (RON -4.617,3 th), mainly at the level of Transfers for financing the investments on hospitals.
- **Operational expenditures** record a level of RON 70.878,1 th below provisions, with an execution degree of 71,7%. Lower than expected expenditures are reflected in:
 - *Goods and services* (with no Commissions and other costs for debts), expenditures being with RON 38.224,3 th below the estimated level. The dynamic is mainly reflected in the level of payments for Other materials and services for maintenance and functioning (RON -9.523,1 th, -25,5%), Current repairs (RON -9.220,4 th, -69,7%), Heating, lighting and driving force (RON -5.293,6 th, -23,7%), Other expenditures with goods and services (RON -3.027,8 th, -33,5%);
 - *Staff costs*, which registered payments with RON 10.724,9 th (degree of achievement 82,4%) below the estimations, this being determined mainly by the Basic salaries (RON -8.802,3 th, -16,8%), Other remuneration rights paid in cash (RON -501,8 th, -32,2%) and Contributions (RON -315,7 th, -22,5%);
 - *Social support*, payments registered - with RON 6.936,6 th (execution degree 68,4%) below the budget's level, due to the execution under the ceiling of payments for Social support in cash (RON -3.738,4 th, -22,5%) and Gift tickets granted for social expenditures which were included in the final budget with the value of RON 5.300,5 th but executed in proportion of 39,7%;
 - *Other expenditures* marks an execution degree of 66,8%, payments made being with RON 5.307 th below the level included in the final budget and this is due mainly to payments with RON 2.805,4 th below the ceiling for Scholarships, namely with RON 1.470,8 th lower than the provisions of Associations and foundations;
 - *Other internal current transfers* were made in proportion of 42,9% from the total forecasted, namely by RON 4.713,1 th below the rectified estimations;
 - *Transfers to public institutions* recorded the value of RON 19.113,5 th, but were included in the final budget with the value of RON 21.835,1 th;
- **Financial expenditures** are with RON 1.237,1 th (execution degree 95,4%) below the estimated level, influences coming from payments for Commissions and other costs for debts (RON -512,5 th, -75,5%), Interest (RON -512,7 th) and for Reimbursement of loans (RON -211,9 th).

Expenditures ratios

at Q3 2021, as compared to Q3 2020

'000 RON



Ratios	Q3 2021	Q3 2020
Total staff costs	50,048.7	51,913.6
Expenditures per Capita	253.8 RON	263.3 RON
The expenditure weight in the operational expenditures	27.9%	24.6%
Staff costs for insurance and social assistance	22,972.1	23,467.6
Expenditures per Capita	116.5 RON	119.0 RON
The expenditure weight in the operational expenditures	12.8%	11.1%
Current compulsory expenditures	70,052.7	88,848.9
Expenditures per Capita	355.2 RON	450.7 RON
The expenditure weight in the operational expenditures	39.1%	42.2%
Operational expenditures	179,240.2	210,669.9
Expenditures per Capita	908.8 RON	1,068.5 RON
The expenditure weight in the total expenditures	82.8%	78.5%
Expenditures on debt service financing	25,373.5	24,324.0
Expenditures per Capita	128.7 RON	123.4 RON
The expenditure weight in the total expenditures	11.7%	9.1%
Total investment expenditures	11,792.8	33,377.7
Expenditures per Capita	59.8 RON	169.3 RON
The expenditure weight in the total expenditures	5.4%	12.4%
The expenditures' rigidity	23.1%	19.3%
The weight of the payments from the operating section in the total	94.6%	87.6%
The weight of the payments from the development section in the	5.4%	12.4%
The deficit/surplus of the operating section	56,534.6	18,048.9
The deficit/surplus of the development section	878.3	548.6
The weight of the local public debt service in the total made payments	11.7%	9.1%
Maximum annual debt	69,798.0	64,683.2
Net direct debt	35,982.5	31,483.1
Direct indebtedness level	14.5%	15.4%
Net public debt	27,124.4	23,724.0
Public indebtedness level	18.3%	19.0%
The total expenditures achievement degree from the initial budget	56.3%	84.1%
The achievement degree from the initial budget of the:		
Operational expenditures	76.8%	95.4%
Staff costs	80.0%	80.2%
Current compulsory expenditures	79.0%	98.9%
Expenditures on debt service financing	96.9%	84.5%
Investment expenditures	9.5%	47.9%
The funds absorption level of the total expenditures	79.0%	93.5%
Investment expenditures / Operational revenues	3.2%	10.1%
Capita,	197,222	197,155
as of:	01.01.2020	01.01.2019

- **Total staff costs** made at Q3 2021 records a decrease by RON 1.864,9 th (-3,6%), compared to the previous period, the dynamic being impacted by the lack of Payments in nature (payments made of RON 1.648,6 th at Q3 2020) and the decrease by RON 466,7 th (-1,1%) of Basic salaries, counterbalanced by the increase with RON 392,2 th of Other remuneration rights paid in cash.
- **Current mandatory expenditures** decrease by RON 18.796,2 th (-21,2%) compared to the level reached at Q2 2020, as a result of:
 - Decrease of the value of *Subsidies to cover price and tax differences* (RON -15.526,2 th, -75,6%);
 - Decrease of *Total staff costs*;
 - A lower level of payments for *Social support* (RON -1.405,1 th, -8,6%);
- Performed **Operational expenditures** record a level with RON 31.429,7 th (-14,9%) below the execution afferent to the period of Q3 2020, the evolution being determined by:
 - Decrease by RON 26.572 th of the value of *Subsidies* (-84,2%);
 - A lower level of payments for *Other expenditures* (RON -4.110,2 th, -39,1%);
 - A lower level of payments for *Goods and services* (with no Commissions and other costs for debts) by RON 3.921,8 th (-5,2%);
 - Decrease of payments for *Social support* and *Total staff costs*;
- **Expenditures on debt service financing** are by RON 1.049,4 th (+4,3%) higher, compared to the previous reference level, given the decrease in Interest payments (RON -1.052,5 th) and the increase of Reimbursement of loans (RON +2.024,7 th).
- **Total expenditures on investments** carried out during the first three quarters of this year are decreasing by RON 21.584,9 th (-64,7%) and are mainly represented by Capital Expenditures (RON -18.825,8 th, -68,7%) and Capital transfers (RON -922,4 th, -81,9%), Projects with financing from non-reimbursable external funds (NEF) post-accession (RON -3.720,1 th, -98,3%) and Projects financed from related non-reimbursable external funds related to the 2014-2020 financial framework (RON +2.428,9 th).

Table of contents Part IV



Section IV

- Balance Sheet
- Local Public Debt Service

Balance Sheet

at 30.09.2021

'000 RON



Balance Sheet	30.09.2020	31.12.2020	30.09.2021
Current assets	290,574.3	369,574.3	345,944.7
Cash and cash equivalent	43,659.1	41,268.1	98,836.5
Inventories	48,618.2	49,824.3	48,615.4
Receivables	198,283.9	278,460.3	198,476.9
Short term investments	-	-	-
Other current assets	13.1	21.6	15.9
Fixed assets	3,440,152.4	3,432,578.1	3,493,890.0
Intangible assets	1,393.5	1,332.0	1,242.1
Tangible assets	3,367,394.8	3,362,684.0	3,413,864.3
Other fixed assets	71,364.1	68,562.1	78,783.6
Total assets	3,730,726.7	3,802,152.4	3,839,834.7
Current liabilities	44,627.6	140,708.0	79,730.0
Debts to banks	2,647.2	-	987.3
Accounts payable	14,741.6	111,607.4	50,513.9
Short term provisions	554.5	554.5	410.6
Other short term debts	26,684.2	28,546.1	27,818.2
Long term debts	180,732.8	179,658.5	159,323.0
Long term loans	180,444.0	179,432.8	158,986.1
Other long term debts	288.8	225.8	225.8
Provisions	-	-	111.2
Equity and reserves	3,505,366.3	3,481,785.9	3,600,781.6
Total liabilities	3,730,726.7	3,802,152.4	3,839,834.7
Current liquidity ratio (Current assets / Current liabilities)	6.5	2.6	4.3
Indebtedness level (Borrowed capital / Total liabilities)	4.8	4.7	4.1

- Total assets are increasing by RON 37.682,3 th (+1%) compared to the level recorded at the end of 2020, as a result of a decrease in Current assets (RON - 23.629,6 th, -6,4%), while Fixed Assets increase with RON 61.311,9 th.
- Decrease of Current assets it is mainly determined by a lower level of Receivables (RON -79.983,5 th, -28,7%). In contrast, cash and cash equivalents increase by RON 57.568,4 th.
- The increase of the Fixed assets was generated, mainly by a higher volume of the tangible assets (RON +51.180,3 th).
- The outstanding of the Current liabilities up to a year decreased by RON 60.978 th (-43,3%), with influences especially at the level of Commercial Debts (RON - 61.093,5 th, -54,7%), corroborated with an outstanding for Bank debts amounting to RON 987,3 th.
- Capitals record an increase by RON 118.995,7 th (+3,4%).
- Long term debts are decreasing at the end of the reporting period (RON -20.335,5 th, -11,3%), exclusively by reducing Debts to banks.
- Current liquidity indicator is of 4,3 at the end of the first nine months of 2021, compared to 2,6 at the end of 2020, as a result of a decrease in Debts up to one year (-43,3%), in conjunction with the decrease in Current assets (-6,4%).

Local Public Debt Service at 30.09.2021

'000 RON

Debt and liquidity	30.09.2021	Payout	30.09.2021
New credit withdrawals in the period	-	Payout 2Y - 2 years	97,542.2
Direct debt service	25,370.4	Payout 5Y - 5 years	217,391.9
Direct indebtedness rate	10.9%	Payout 10Y - 10 years	273,154.3
Public debt service	34,228.5	Payout 15Y - 15 years	284,906.8
Public indebtedness rate	14.7%	Payout 20Y - 20 years	
Public Debt Service as % of Operational Revenues	12.9%	Total revenues per capita	1,388.4 RON
Public Debt Service as % of Operational Expenditures	19.1%	Own revenues per capita	1,193.1 RON
Long term debt % Own Funds	4.4%	Public Debt Service per capita	173.6 RON
Long term debt / Own Revenues (1.x)	0.7	Long-term loans per capita	806.1 RON

	2020 ¹⁾	2021 ²⁾	2022 ³⁾	2023 ³⁾	2024 ³⁾
Total revenues	364,948.5	368,597.9	372,283.9	376,006.8	379,766.8
Own revenues ⁴⁾	266,405.5	269,069.5	271,760.2	274,477.8	277,222.6
Indebtedness capacity	64,683.2	69,798.0	77,354.9	80,723.5	81,530.8
Public debt service ⁵⁾	40,770.8	42,558.8	45,621.7	45,060.2	40,822.3

1) Revenues collected as of 31.12.2020

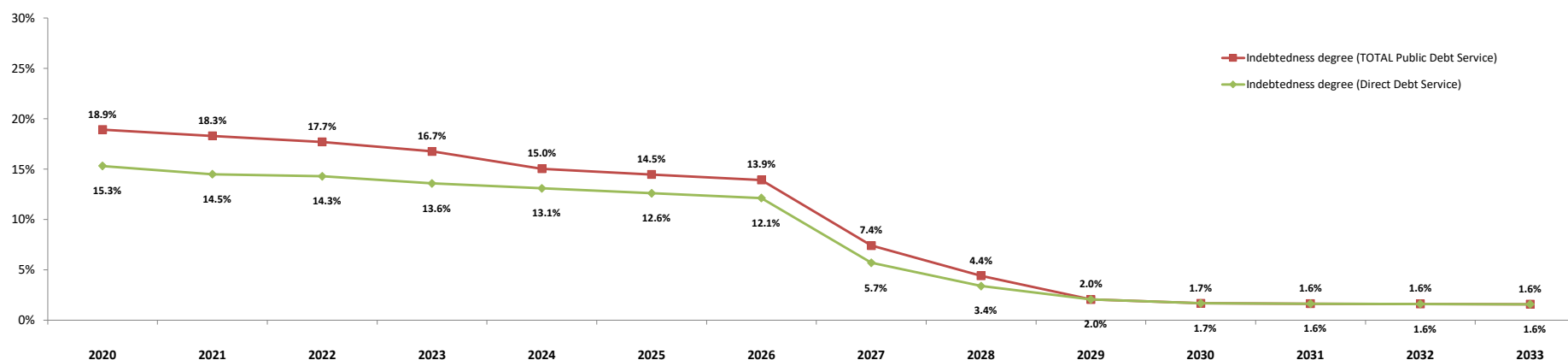
2) Revenues planned in the budget for 2021

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

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

5) TUD estimated values for the period of 2021 - 2024, based on the ongoing credit contracts provisions, money market conditions and legal regulations as of 30.09.2021

Indebtedness level forecasted for the period of 2020 - 2043



- The indebtedness level was forecasted considering the provisions of the ongoing credit contracts, the money market conditions as of 30.09.2021, the estimated withdraws from the signed financing contracts and the growth rate of own revenues of 1%;
- According to the UGO nr. 46 on 05/23/2007, to complete art. 63 of the Law no. 273/2006 regarding the local public finances, "the loans contracted and/or guaranteed by the territorial-administrative units for providing the pre-financing and/or co-financing of the projects that benefit of the external non-reimbursable funds of pre and post-accession, from the European Union, are excepted from the paragraph (4) provisions" - respectively the framing in the maximum indebtedness limit;
- The maximum indebtedness limit represents 30% of the arithmetic mean of the own revenues for the last three years prior to current period.

Glosar de termeni



The operating section	The basic compulsory local budget section, which includes revenues needed to finance current spending in order to achieve competencies established by law, and the related running costs;
The development section	The complementary section of the local budget, including income and capital expenditures related to implementation of the local development policies;
Own revenues*	The average of the Own revenues collected in the last 3 years (Own revenues as stipulated in the art. 5, indent (1) a) Law no. 273/2006 regarding the local public finance, including subsequent amendments and additions, out of which are subtracted the Revenues from goods capitalization stipulated in the art. 29 part of the mentioned law);
Operational revenues	The difference between Total revenues, Investment revenues and Financial Revenues OR The Sum of Current Revenues (00.02) and Current Subsidies (00.20);
Operational Expenditures	Sum of Staff Cost (10), Goods and services (20), excluding Commissions and other costs related to debts (20.24), Subsidies (40), Reserve funds (50), Transfers (51+55, without investments), Social Assistance (57), Other Expenditures (59), Previous years payments recovered during the current year (85.01) OR; The difference between Total Expenditures, Investment Expenditures and Financial Expenditures, excluding Surplus / Deficit; Sum between Capital revenues (00.15), Capital Subsidies received from the State Budget (00.19), Sums received from the EU for the payments performed 2007 - 2013 (45.02) and 2014 - 2020 (48.02), Tax for the thermal rehabilitation (36.02.23), Contribution of the Owners' Association for the thermal rehabilitation works (36.02.31) and Sums related to the budgetary financing of the previous years, from the development section (36.02.32.02);
Investment revenues	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
Investment expenditures	Total expenditures incurred without considering the result of the period;
Total payments made	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;
Taxes supporting the debt	The sum between the Interests (30), Reimbursement of loans (81) and Commissions and other costs related to loans;
Financial Expenditures	
Returned funds from previous years	In accordance to the Ministry of Finance order no. 231646/06.09.2009 previous years payments returned during the current year are reported negatively for 85.01 and are not used for payments; These are invalidated by increasing the budgetary loans for each economic expenditure;
Revenues and expenditures ratios	The ratios are presented on the budgetary execution, stipulated in the Emergency Ordinance no. 63 dated 30.06.2010, whose method of calculation is covered in the Methodology of 11/03/2010;
The revenues/expenditures achievement degree from the initial/revised budget	Collected revenues % of the initial/revised budgetary provisions; Incurred expenditures % of the initial/revised budgetary provisions;
The level of financing from the own	Own revenues % in Total revenues;
The degree of self-financing	(Own revenues-Quotas deducted from the income tax (04.02.01)) % Total collected revenues;
The degree of dependency of the local budget to the state budget	The total amounts received from the State Budget (Sums allocated from the quotas deducted from income tax to balance the local budgets 04.02.04 + Sums deducted from VAT 11.02 + Subsidies received from the State Budget 00.18) % in Total revenues;
The degree of decisional autonomy	(Own revenues + Sums deducted from VAT for balancing the local budget 11.02.06) % in Total revenues;
The expenditures' rigidity	Staff costs % in Total incurred expenditures;
Maximum annual debt	The maximum legal amount allowed for municipal indebtedness, equal to 30% of the average of the own revenues executed in the last 3 years. Represents the maximum of Public Debt Service, according to Government Decision 145/2008;
Net direct debt	Total of amounts representing interests, provisions and installments, according to contracted to be paid by the end of The year, by the municipality;
Net public debt	Total of amounts representing interests, provisions and installments, according to contracted and guaranteed to be paid by the end of The year, by the municipality;
Direct/Public indebtedness level	Direct/Public Debt Service as % of Own revenues*;
Net Direct/ Public indebtedness level	Net public/direct debt as % of Own revenues*;
Direct debt service	Total amounts to be paid by the city hall as capital repayments, interests and fees for ongoing credit contracts;
Public debt service	Current debt service+amounts related to the granted guarantees (interests, commissions and principal);
Payout n Y - n years	Public debt service for the next "n" years, according to the contractual conditions for the credit facilities and the evolution of ROBID, ROBOR, EURIBOR at 30.09.2021;
Current financial debt	Total drawdowns related to the credit facilities for the analysed period;
Per Capita	For a person that is resident of the municipality; Resident inhabitants as of 1 st of January 2020/1 st of January 2019;

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

The financial documents which were used in preparing this report are: execution accounts for 30.09.2021 and for 30.09.2020, Initial budget for 2021 approved by LCD No. 111 from 20.04.2021, Initial budget for 2020 approved by LCD no. 20 from 20.02.2020, final provisions for 2020 approved by MD no. 565267 from 30.09.2020 and for 2021 approved by LCD no. 326 from 30.09.2021, including the related investment lists.

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