

ACCOUNTING AND INFORMATIONAL VALUES OF THE REVENUE AND EXPENDITURE BUDGET IN PUBLIC INSTITUTIONS. CASE STUDY

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Abstract

The transformations that took place in accounting over the last ten years have been profound, the Romanian accounting system being subject to an extensive and serious reform process, in order to adapt it to the new economic, political, legal and, social conditions. In the public sector, the changes made aimed at optimizing the budget execution so that they reflect, in a real way, the way in which public money is spent in order to achieve the objectives of general interest of the community. The current state of this paper, with a case study in a locality in Călărași county, resides in the fact that, being an accounting of commitments, public entities are obliged to organize and conduct accounting according to the approved income and expenditure budget, and its effective management, has direct implications on the development of the rural community, on all levels. As research methods, documentation, information and analysis were used, used in several stages undertaken in the research, as well as the method of comparative analysis and graphic representation. We observe that the total revenues (collected) of the local budget of the analyzed commune increased in the period of 2022 compared to 2021, after the restrictions imposed by the Covid-19 pandemic prevented the development of economic activities bringing income to the local budget, by 21.10 %, so that then, in 2023, we see a slight decrease in them by 0.04%. The total expenses of the commune budget have in the analyzed period the same trajectory as the budget revenues, in which they were totally incorporated. Investments are required in the education sector, because the training of human capital is the most important in a community. At the same time, we appreciate the fact that the representatives of the local public authority are concerned with attracting European funds to the community and implemented projects with European funding, which came to support the community, the socio-economic development of rural communities also depends on these funds.

Key words: budget, expenditure, rural community, public institution, revenue

INTRODUCTION

The foundation and drawing up of an income and expenditure budget is not only a complex process of resources forecasts, where legislative regulations must be respected, first of all, but simply both the needs and the problems of the community in question must be taken into account [4, 9].

The optimal management of resources within a budget remains a rather complex problem that requires special attention, but which, according to the current legislation, still presents some ambiguities and gaps [6, 13]. Many times legislation is implemented by governments without impact studies, aiming in particular to attract the electorate and not necessarily the real needs of the entity, respectively the costs generated. Regulations

thus become inoperative and ineffective [16, 8].

The budget is not only a financial document but it represents a managerial instrument, which, in financial expression, ensures the dimension of the objectives, expenditure, actions that can be funded from forecast income to be achieved, but also the evaluation of the results and their socio-economic efficiency in the community [2, 12]. Thus the fundamental strategy, planning, achievement and control of actions of local public administration are found in the territorial administrative units budget in case of communes, towns and municipalities and the county budget in case of counties [11,15]. The meaning of the concept of budget was defined under the economic aspect, in the

conditions where the state started drawing up income and expenditure lists regarding the activity of its institutions. In the contemporary period, the budget became a privileged instrument of economic policy, both in terms of means and of achieving certain political and social justice goals. Taxes, fees, budget allocations, subsidies, transfers, etc. there are just as many instruments, levers of an economic-financial nature, through which the state intervenes to achieve its policy in various fields of interest [1, 7]. All public institutions, regardless of the form of financing, are obliged to use the same accounts and the same indicators from the economic classification, for good centralization at the level of central and local public administration [9, 14].

The budget is the estimate of income and expenses for a certain period of time, usually a year. The government prepares the budget proposal and presents it to the Parliament for approval. After approval, the budget becomes a law, the implementation of which is mandatory, like any other law of the country [11, 17]. Understanding the political and social structure of a country requires understanding the budgetary process in that country. Thus, specialists refer to this process as a nerve center of the government. From a certain perspective, the budget provides a picture of expenses on education, health, social programs, military expenses and other various priorities. From another perspective, the budget shows us who will pay for these expenses. An examination of the budget can also reveal how a country plans, controls, improves the state of the nation [1, 5, 17].

The appropriate budgetary relations are manifested in a double sense: on the one hand, as relations through which the financial resources available to the state are mobilized, and on the other hand, as relations through which these resources are distributed to their users [5, 6].

The purpose of the paper is to analyze the accounting and information values of the income and expenditure budget of a town hall in Călărași county, in order to know the impact of its structure and management on the development of the rural community.

MATERIALS AND METHODS

In the study we started from the premise that the purpose of local public administration is to provide a satisfactory level of goods and services to citizens, having a direct responsibility for the quality of socio-economic transformations within a community that induces economic development. The effect of local public authorities on development is directly proportional to their ability to facilitate initiatives leading to the achievement of the goal and to involve other public and private actors in the process [2, 3].

In the analysis of the analyzed locality budget, we started from the overall analysis of revenues and expenses in the period 2021 - 2023, and then we carried out an analysis of the structure of revenues and expenses of the local budget, of the components, of their dynamics, of some of the causes that determined the respective evolution.

Documentation, information and analysis were used in several stages undertaken in the research, in the analysis of information from the specialized literature, in the collection of information regarding the study of factors specific to the analyzed rural community and to identify the positive and negative aspects associated with each factor, when drawing up the correlation table of factors with specific aspects. The comparative analysis method was used for the comparative and dynamic analysis, over a period of 3 years, of the budget revenues and expenses, but also for the comparative analysis of their structure and the percentage ratio between the structures.

Graphical representation is another way to analyze quantitative data in the form of diagrams, which allow a better interpretation of the relationship between cause and effect, as well as a better adaptation to measure the degree of change of a variable, when there are changes in the value this one.

RESULTS AND DISCUSSIONS

The locality where the case study was carried out, has a total surface of 11,019 ha and a population of 9,684 inhabitants, according to

the last census. In Table 1, the general characteristics of the main factors in the community are presented, analyzed in terms of their positive and negative aspects.

Table 1. Analysis of positive and negative aspects of the studied commune

Factors	Positive aspects	Negative aspects
1. Natural framework	<ul style="list-style-type: none"> - Proximity of the commune to the river; - The soils in the commune are mostly chernozems, being suitable for agriculture. 	<ul style="list-style-type: none"> - The existence of floodable agricultural areas in the commune; - the emergence of the drought phenomenon considering the location of the commune in an area with high temperatures during the summer.
2. Population and work force	<ul style="list-style-type: none"> - The existence of a segment important part of the active population in the commune; - The workforce available and responsive to training actions and professional conversion 	<ul style="list-style-type: none"> -The low level of opportunities of employment in the commune; - High level of unemployment in the commune; - The significant share held by the inactive population in the total population; - Large number of pensioners in the commune; -Lack of programs to promote traditional trades practiced by the inhabitants of the commune.
3. Economic framework	<ul style="list-style-type: none"> - Agricultural potential, zootechnical and fish potential; -The high share of private property on arable land, suitable for some varied crop ranges; - Favorable geographical position for tourism development 	<ul style="list-style-type: none"> - Excessive parceling of agricultural land; - Insufficient endowment of the private owners of lands from the commune with agricultural machinery; - Reduced diversification of economic activities carried out by the population of the commune; -Small number of SMEs with activities in the processing and recovery of food products; - Poorly represented entrepreneurial culture - The lack of a tourist infrastructure in the commune.
4. Health and social assistance	<ul style="list-style-type: none"> - Near Călărași municipality 	<ul style="list-style-type: none"> -Low number of medical and sanitary staff, in relation to the number of inhabitants of the commune, which determines the limitation of their access to medical services; -Lack of adequate spaces for providing medical assistance; -Insufficient number of doctors specialty in the commune; -Increased risk of illness of the population as a result of non-compliance with the rules regarding sanitary protection zones.
5. Education and culture	<ul style="list-style-type: none"> -Adequate infrastructure for educational activities in the locality; 	<ul style="list-style-type: none"> -Existence of an important segment of population with low educational level; -Lack of a modernized sports base; - The existence of some not modernized educational units .
6. Transport infrastructure	<ul style="list-style-type: none"> -Road DN 3B that ensures connection to Călărași and Fetești localities ; - Carrying out some road rehabilitation and modernization projects at the level the commune; - The high degree of accessibility of the population to the means of transport with the connection to Călărași 	<ul style="list-style-type: none"> - The existence of communal roads that requires modernization works; -Traffic congestion along DN 3B on the segment where it crosses the commune.

	municipality.	
7. Social infrastructure and technical-sanitary equipping	<ul style="list-style-type: none"> - The public lighting network in the commune; -Modern telephone station; - The existence of a project regarding location of an agrifood market in the commune. -Establishment of a thermal energy supply service in the commune. 	-Existence of dwellings that require modernization and insufficiently equipped with technical-sanitary equipment.
8. Institutional infrastructure	<ul style="list-style-type: none"> -Existence of a basic administrative infrastructure in the commune. -Existence of an informational system between public administration and citizens. 	<ul style="list-style-type: none"> - Inadequate skills for investment planning or project preparation in local institutions; -Limited involvement of citizens and communities in decision-making at the local level; -Limited capacity and inadequate skills for the implementation, operation and maintenance of infrastructure in local institutions.
9. Environment	<ul style="list-style-type: none"> -Existence of water resources; -Existence of a public sanitation service that serves the whole commune ; -Establishing sewerage network. 	<ul style="list-style-type: none"> -The existence of agricultural areas with excess humidity in the commune; -Pollution of aquifer layers through the discharge of waste water and through the use of chemical fertilizers in agriculture; -The water table at a relatively shallow depth; - existence of areas with natural risk in common; -Faulty waste management.

Source: Processing according to analyzed Strategy of commune development, 2021- 2027 [18].

Studying the data contained in the budget of the analyzed municipality are presented in Figure 1.

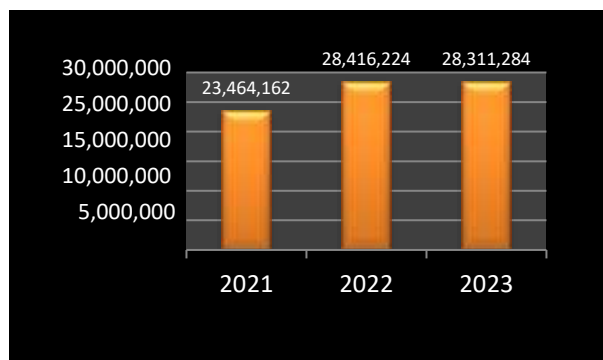


Fig. 1. Evolution of total revenue in the period 2021-2023 (RON)

Source: Processing to revenue and expenses budget of commune council [19].

From Figure 1, we notice that the total revenues (collected) of the local budget, increased during the analyzed period from 23,464,162 lei in 2021, when the restrictions imposed by the Covid-19 pandemic prevented the development of some economic activities that bring income to the local budget, to 28,416,224 lei in 2022, increasing by 21.10%,

and then in 2023, to note a slight decrease of them by 0.04%. Analyzing the share of own revenues in total revenues at the level of the municipality's budget, from Table 2 and Figure 2, it can be seen that the self-financing capacity in the period 2021-2023 is quite fluctuating.

The capacity for financial autonomy is increasing in 2022 compared to the atypical year 2021, respectively, an increase of 62.15%, the share of these revenues in total revenues reaching 26.39%. In the year 2023 compared to the year 2022, however, a decrease of these revenues is recorded, with a percentage of 4.5%, although, taking into account the analyzed period, which from an economic and social point of view is not really representative, we can say that after 2021 the degree of self-financing increases. The evolution of own revenues is determined by the way in which the local authorities decide to realize them, having the freedom to dispose and the way in which they will be spent.

Table 2. Evolution of own revenue and share of total revenue, in the period 2021 – 2023 (RON)

Crt. No.	Year	Value	% in total income
1.	2021	4,625,187	19.71
2.	2022	7,499,940	26.39
3.	2023	7,162,446	25.30

Source: Budget of revenue and expenses of commune council [19].

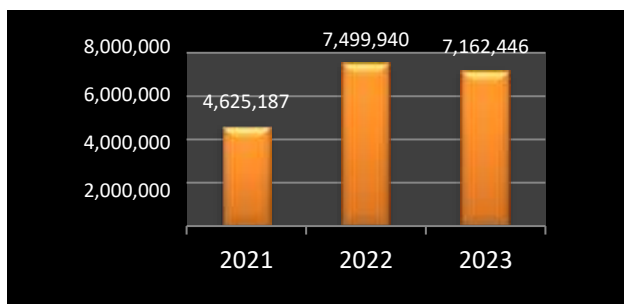


Fig. 2. Evolution of own revenue in the period 2021-2023 (RON)

Source: processing Budget of revenue and expenses of commune council [19].

Total revenues are made up of: current revenues, capital revenues, revenues with special purpose, respectively, revenues from financial operations and revenues from subsidies, as shown in Table 3.

It is noted that, during the entire analyzed period, the share in the structure of revenues is owned by current revenues, which increased from 13,475,217 lei in 2021, to 18,497,506 lei in 2023.

As a share in the structure of total revenues, it is between 57.43% at the level of 2021 and 65, 64% in the year 2022, with a slight setback in the year 2023. It should be noted that, for the entire analyzed period, the income from capital operations, respectively, from the capitalization of some assets of the public institution, remain constant, at the level of the value of 157,940 lei, with insignificant weights in total revenues, below 1%. A similar situation is recorded in the category of income from financial operations, respectively, receipts from the repayment of loans granted, which have values between 3,156,176.lei in 2021 and constant values in

2022 and 2023, of 3,709,768 lei. As a share in the structure of total revenues, it registers approximately 13%.

Subsidies have a weight between 5.52% in 2023 and 6.21% in 2021. It should be noted the category of revenues from subsidies received from the EU, which in 2021 have a weight of 22.23% in total revenues and about 16% in the years 2022-2023. Current revenues are made up of fiscal and non-fiscal revenues. The largest share of current revenues was achieved in 2022, in the amount of 17,952,000 lei, as shown in Table 4.

Fiscal revenues have the following composition: direct taxes and indirect taxes. From Table 4., and Figure 3., we can see the very high share of tax revenues in total current revenues, which exceeds 95% every year of the analyzed period.

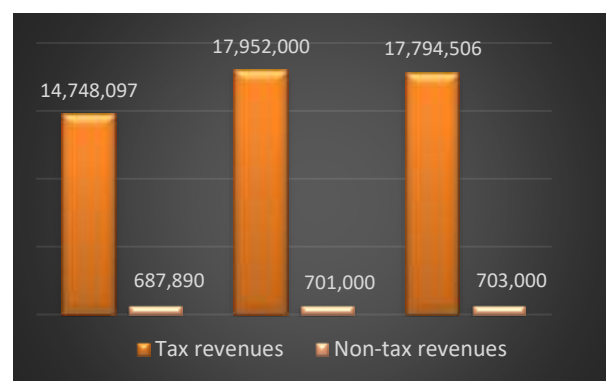


Fig. 3. Evolution and structure of current revenue (RON)

Source: processing Budget of revenue and expenses in the period 2021-2023 [19].

Direct taxes as revenues of local budgets are made up of: profit tax, taxes and fees from the population, tax for the use of state-owned land, tax on buildings and land from legal entities and other direct taxes.

Direct taxes, as a source of revenue for local budgets, have the largest share in the total tax revenue of these budgets.

The share of tax revenues is held by taxes collected from the sale of goods and the provision of services, with a percentage between 65.52% and 67.11% (Table 5).

Table 3. Evolution and structure of total revenue in the period 2021 – 2023 (RON)

Structure	2021	2022	2023	Share in total income %		
				2021	2022	2023
Current revenue	13,475,217	18,653,000	18,497,506	57.43	65.64	65.34
Revenue of capital	157,940	157,940	157,940	0.67	0.56	0.57
Financial operations	3,156,176	3,709,768	3,709,768	13.45	13.06	13.10
Subsidies	1,458,864	1,536,541	1,562,960	6.21	5.40	5.52
Subsidies received from EU	5,215,965	4,458,975	4,483,090	22.23	15.69	15.84
Total	23,464,162	28,416,224	28,311,264	100	100	100

Source: Budget of income and expenses of the commune, in the period 2021-2023 [19].

Table 4. Evolution and structure of current revenue in the period 2021 – 2023 (RON)

Structure	2021	2022	2023	Share of current income %		
				2021	2022	2023
Fiscal income	14,748,097	17,952,000	17,794,506	95.54	96.24	96.20
Non fiscal income	687,890	701,000	703,000	4.46	3.76	3.80
TOTAL	15,435,987	18,653,000	18,497,506	100	100	100

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

Table 5. Evolution and structure of fiscal revenue in the period 2021 – 2023 (RON)

Structure	2021	2022	2023	Share of fiscal revenue %		
				2021	2022	2023
Tax on revenue, profit and gains of capital	3,124,560	4,342,000	4,004,506	21.18	24.19	22.50
Taxes and taxes on property	1,780,000	1,780,000	1,780,000	12.07	9.92	10.06
Taxes and taxes on goods and services	9,787,537	11,762,000	11,942,000	66.20	65.52	67.11
Other taxes and fiscal taxes	56,000	68,000	68,000	0.55	0.37	0.33
TOTAL	14,748,097	17,952,000	17,794,506	100	100	100

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

Table 6. Evolution and structure of non fiscal revenue in the period 2021 – 2023 (RON)

Structure	Year 2021	Year 2022	Year 2023	Share of non fiscal revenue %		
				2021	2022	2023
Revenue of property	216,560	233,000	233,000	35.05	33.24	33.14
Sales of goods and services	401,330	468,000	470,000	64.95	66.76	66.86
TOTAL	617,890	701,000	703,000	100		

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

From Table 5, we note that taxes and property taxes remain constant during the analyzed period, at the level of 1,780,000 lei, although as a share, they vary between 9.92% and 12.07%. We mention that the decision was made in the Council not to increase these taxes, in order not to burden the population, as a result of the socio-economic context that our country went through during this period, respectively, the Covid-19 pandemic and the economic crisis.

Taxes and taxes from the population. The share of these taxes from the population in the total revenue is more significant in the years 2021 and 2023, with an insignificant reduction in the year 2022, reaching 9.92%. As in the case of fiscal taxes, also in the structure of non-fiscal taxes, the share is held by the taxation of the activity of sales of goods and services, with a percentage between 64.95% and 66.86% for the entire analyzed period, as shown in Table 6 .

Table 7 is made up of the evolution of **indirect taxes**, which includes Value Added Tax, excise duties and customs duties. In the absence of proper forecasting and management, indirect taxes can have an extremely strong impact on the cash flow of a public institution. Given that indirect taxes expose all types of activities to significant risks, they require special attention and management.

Total expenses of the analyzed commune budget, have in the studied period the same trajectory as the budget revenues, in which

they were totally incorporated, respectively, they increased from 23,464,162 lei in 2021, after the restrictions imposed by the Covid-19 pandemic prevented the carrying out of economic activities bringing income to the local budget, to 28,416,224 lei in 2022, increasing by 21.10%, and then in 2023, we note a slight decrease in them by 0.04%, as shown in the Figure 4.

Table 7. Evolution and share of indirect taxes in the period 2021-2023 (RON)

Crt. no.	year	Value	% of fiscal revenue
1.	2021	77,000	0.61
2.	2022	7,000	0.60
3.	2023	69,000	0.66

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

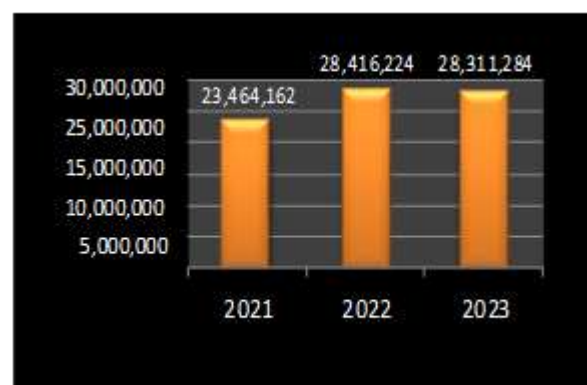


Fig. 4. Evolution of total expenses in the period 2021-2023 (RON)

Source: processing of Budget of revenue and expenses of the council [19].

Table 8. Evolution and structure of total expenses in the period 2021 – 2023 (RON)

Structure	Year 2021	Year 2022	Year 2023	Share in total expenses %		
				2021	2022	2023
General public services	5,125,890	4,988,807	5,000,807	21.85	17.56	17.66
Defense, public order and national safety	987,940	833,000	833,000	4.21	2.93	2.94
Social cultural expenses	12,825,322	16,667,897	16,504,113	54.66	58.66	58.30
Services and public development, dwellings, environment and water	1,867,000	1,956,195	2,023,019	7.96	6.88	7.15
Economic actions	2,658,950	3,950,325	3,950,325	11.32	13.97	13.95
Total	23,464,162	28,416,224	28,311,284	100		

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

Table 9. Evolution and structure of social cultural expenses in the period 2021 – 2023 (RON)

Structure	Year 2021	Year 2022	Year 2023	Share in social cultural expenses %		
				2021	2022	2023
Education	7,886,000	8,599,222	8,425,438	61.49	51.56	51.05
Health	389,560	342,000	342,000	3.04	2.33	2.07
Culture, recreation and religion	1,342,000	2,369,635	2,369,635	10.46	14.21	14.35
Insurance and social assistance	3,207,762	5,367,040	5,367,040	25.01	31.9	32.53
Total	12,825,322	16,677,897	16,504,113	100		

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

Table 10. Evolution and structure of current expenses in the period 2021– 2023 (RON)

Structure	Year 2021	Year 2022	Year 2023	Share of current expenses %		
				2021	2022	2023
Staff expenses	5,126,000	5,318,500	5,318,500	26.85	22.12	22.27
Goods and services expenses	3,987,000	4,124,159	4,139,059	20.88	17.15	17.33
Subsidies	599,173	599,173	599,173	3.14	2.49	2.51
Reserve funds	20,000	20,000	20,000	0.10	0.07	0.08
Transfers between public administration units	1,507,894	1,403,600	1,403,600	7.90	5.84	5.87
Social assistance	2,987,000	4,313,540	4,313,540	15.65	17.94	18.06
Non reimbursable financing	3,876,000	6,636,157	6,636,157	20.30	27.70	27.78
Other expenses	988,000	1,628,000	1,628,000	5.18	6.79	6.10
Total	19,091,067	24,043,129	23,884,845	100		

Source: Budget of revenue and expenses of the commune, in the period 2021-2023 [19].

As it results from the information presented in Table 8., in the structure of total expenses, the share is held by the category of **social and cultural expenses**, which registered an increase of 28.68% in 2023 compared to 2021, and as a share of the period, has percentages between 54.66% in 2021 and 58.3% in 2023, followed by the category of **expenses with general public services**, which, in the analyzed period, registered a share between 17.56% and 21.85%. **Defense, public order and national security expenses** have constant values in the last 2 analyzed years, with a decrease of approximately 18% compared to 2021, and as a share, they hold percentages between 2.93% and 4.21% in expenses annual totals. The same situation is recorded for the **expenses with economic actions**, which have constant values in the last 2 analyzed years, registering an increase compared to the year 2021, when, as a percentage, they were at the level of 11.32%

of the total expenses, reaching the years 2022 and 2023 at a percentage of approx. 13.95% in total annual expenses.

Since the social-cultural expenses hold the share in the structure of the total expenses, next, as presented in table 9., the structure and share of each structure in the total of these expenses allocated from the Council budget are analyzed. Thus, we find that in the structure of these expenses, the share is held for the entire period by the expenses allocated to **education**, which comprise percentages between 51% and 61% in the analyzed period. It is a situation adapted to the period of the Covid-19 pandemic, when IT and office equipment were purchased for the online education process, which is why, in 2021, these expenses represented 61.49% from the total social-cultural expenses. In the analyzed period, **insurance and social assistance expenses** rank second in share, registering percentages between 25% and 32.53%. In

2021, an amount of 389,560 lei was assigned to **Health**, and in the years 2022 and 2023, constant amounts, at the level of the value of 342,000 lei, a decrease of about 13%. As for the expenditure segment "**Culture, recreation and religion**", 2,369,000 lei were spent in 2022 and 2023, 76.57% more than in 2021.

Table 10 presents the evolution and structure of current expenses, related to the period 2021-2023, within the budget of the analyzed council. We note that these increased in 2022 compared to 2021, by a percentage of 25.94%, with a slight setback in 2023 compared to 2022, by 0.07%. By expenditure category, the share is held differently in the years of the analyzed period, although as an absolute value, the reserve funds and subsidies register the same value for the three years analyzed. At the level of 2021, the share is held by staff expenses, with a percentage of 26.85%, followed by expenses with goods and services - 20.88% and by non-reimbursable financing, with 20.30%, this year, this category registering the lowest percentage of the period, as a result of the impossibility of implementing some activities under grant programs because of Covid-19 pandemic.

In the years 2022 and 2023, the share in the structure of current expenses is reversed between the first 2 categories of the year 2021, respectively, non-reimbursable financing holds the share with a percentage of about 27%, followed by staff expenses with a percentage of about 22%. Over the entire period, in last place, in terms of share, are the expenses for setting up the reserve fund, with shares of 0.07 to 0.10%.

CONCLUSIONS

Compliance with the principle of reality in budgetary practice requires the sizing of revenues and expenses entered in the revenue and expenses budget, so that the public entity does not have financial difficulties during the year, after the approval of the budget, under conditions considered normal from an economic-financial point of view for that understanding the political and social structure of a country requires understanding

the budgetary process carried out in that country.

Local public administration authorities have complex responsibilities and competences, starting from the administration of public domain as well as the private domain of the locality, urban planning and territorial planning, infrastructure maintenance, provision of public services - water supply, sewage, purification, sanitation, public lighting, assistance social security, child protection, local public transport etc.

All these services are influenced by the capacity to generate and administer revenue efficiently (financial performance), and the quality of provided services influence the welfare of the community members and have an effect on the economic development level. Local public administration authorities have responsibilities in the budgetary process for the development and approval of local budgets in conditions of budgetary balance, as well as in establishing, ascertaining, controlling, tracking, and collecting local taxes and fees. Local governments play an important role in public finances and, to the extent that they are politically independent and financially accountable, they provide a basis for democratic market systems to have a greater chance of success.

Local administrations have many problems regarding the collection of taxes, the purposes of their expenditures and the methods of administration and promotion of economic development. Therefore, we can affirm the fact that local budgets have a very important role within the consolidated general budgets, as they occupy a constant position, which the states try to keep balanced, regardless of the periods crossed, but this aspect also depends a lot on the level of decentralization of the countries. The more decentralized a country is, the more important the role of local budgets is.

Studying the data contained in the budget of the analyzed commune, we notice that the total revenues of the local budget increased during the analyzed period from 23,464,162 lei in 2021, when the restrictions imposed by the Covid-19 pandemic prevented the development of economic activities bringing

revenues to the budget locally, to 28,416,224 lei in 2022, increasing by 21.10%, and then in 2023, we note a slight decrease of them by 0.04%.

In the structure of total expenses, the share is held by the category of **social and cultural expenses**, which registered an increase of 28.68% in 2023 compared to 2021, and as a share of the period, it has percentages between 54.66% in 2021 and 58.3% in 2023, followed by the category of **expenses with general public services**, which, in the analyzed period, registered a share between 17.56% and 21.85%.

Although they have relatively small values in the structure of the council budget, in the absence of a proper forecast and management, indirect taxes can have an extremely strong impact on the treasury flow of the public institution. Given that indirect taxes expose all types of activities to significant risks, they require special attention and management. Although investments were made in the area of education, it is necessary to continue them, because the formation of human capital is the most important in a community. It is also very important to continue investing in the health sector, where there is a large shortage of staff as a result of the non-allocation of adequate spaces by the mayor office. At the same time, we appreciate the fact that the representatives of the local public authority are concerned with attracting European funds to the community and implemented projects with European funding, which supported the community, the socio-economic development of rural communities also depends on these funds.

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