

ECONOMIC AND FINANCIAL ATTRIBUTIONS OF LOCAL ADMINISTRATIVE AUTHORITIES

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ABSTRACT: *Local public administration is one of the important sectors of state administration. Through public administration, state achieves its goals, respecting legal regulations. Local authorities - city councils and mayors – must manage in the name and interest of local collectivities the public business and resources. Many responsibilities were transferred to local administration, getting the first base with financial decentralization, trying to get administration next to citizens, as much as possible. Local authorities have a lot of responsibilities managing local finances. Local finances represent the process of constitution, distribution and utilisation of local incoming funds. Administrative-territorial areas' needs regarding public services and other financial local needs determined the apparition of local budgets. Local budget is a budget of incomes and expenses belonging to administrative-territorial areas. In budgetary process local authorities have the right to establish, observe, control, follow and charge municipal taxes. In this process they also have to report local budgets implementation and rectification.*

KEY WORDS: *local administrative authorities, central and local authorities, local autonomy, local finances, local budgets, financial autonomy*

1. GENERAL CONSIDERATIONS REGARDING LOCAL ADMINISTRATIVE AUTHORITIES

Public administration represents that special state activity that is neither law nor justice. Through public administration, state achieve its goals, respecting legal regulations.

Local public administration is one of the important sectors of state administration. Our fundamental law, the Constitution adopted in 1991 and revised in 2003 established the fundamental principles underpinned to the reforms present in all society's fields, inclusive public administration - representing the incidence domain of state-citizen relation.

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So, local autonomy and public services' decentralization and deconcentration are the constitutional principles of public administration. In 2001, the public administration's law established, beside local autonomy and public services' decentralization, other essential principles for public administration's organization and activity: public administration authorities' eligibility, legality and consulting citizens in local problem of special interest and subsidiary.

According to law's settlements, local authorities - city councils and mayors – must solve in the name and interest of local collectivities the public business and resources. Many responsibilities were transferred to local administration, getting the first base with financial decentralization, trying to get administration next to citizens, as much as possible.

Public services' decentralization, as component of public administration's reform program, must include not only the transfer of activities, but, also, the financial resources' transfer, a clear demarcation of local authorities' competences and the elimination of any parallelism between their responsibilities and those of central public administration's.

2. SOME FINANCIAL RESPONSABILITIES OF LOCAL ADMINISTRATIVE AUTHORITIES IN BUDGETARY PROCESS

Public administration local authorities have as base of their activities local autonomy principle. Due to this principle, local authorities have a lot of responsibilities managing local finances. For that they elaborate and approve local budgets.

Local finances represent the process of constitution, distribution and utilisation of local incoming funds. Administrative-territorial areas' needs regarding public services and other financial local needs determined the apparition of local budgets. Local budget is a budget of incomes and expenses belonging to administrative-territorial areas.

In this process local authorities have the right to establish, observe, control, follow and charge municipal taxes. Municipal taxes are a source of budgetary incomes and they are paid by taxpayers.

Also, in budgetary process, local authorities have to report local budgets implementation and rectification. It is very important so the local authorities to respect the principle of a balanced local budget. Authorities can contract intern and extern loans.

Local authorities must efficiently manage local funds and the assets from private and public property of administrative-territorial areas.

In budgetary process an important part is played by the credit officers. According to law credit officers can be principal officer, secondary officer and tertiary officer.

Principal credit officers are the mayors of administrative-territorial areas, including the mayor of Bucharest, the capital of Romania. Principal credit officers can delegate this quality to other representative persons. This procedure will contain the limits and the conditions of delegation.

Secondary and tertiary credit officers are the chiefs of public institutions with legal entity and budgetary fund allocated.

Principal credit officers analyse how budgetary credits are utilized in their own budgets and in the public institutions budgets' managed by secondary and tertiary credit officers and they approve expenses accomplishment from their own budget respecting legal provision.

Secondary credit officers distribute budgetary credits from their own budget and from the public institutions budgets' managed by tertiary credit officers and they approve expenses accomplishment from their own budget respecting legal provision.

Tertiary credit officers utilise the assigned budgetary credits only to accomplish their administrative-territorial area businesses.

Credit officers must use budgetary credits only for approved destinations. Credit officers must respond for: budget elaboration and substantiation, the pursuit, booking, liquidation and ordering of incomes, book-keeping organisation, the presentation of financial situations, budget implementation, monitoring public acquisition and investments programs, keeping evidence for public heritage.

Local administrative authorities must establish how public services of local interest will be provided. The public services can be provided by local authorities or authorised traders. The main objective is to increase efficiency in the benefit of local communities.

3. CONCLUSIONS

One of the groundwork of a democratic and efficient public administration is administrative and financial decentralisation. According to local autonomy, local administration authorities elaborate and approve local budgets, because a real autonomy doesn't exist without financial autonomy. That's why local administration must have its own sufficient resources and independently dispose them for a real financial autonomy.

Public local finances are important in a democratic state, because without them decentralisation and local autonomy are impossible to put into practice. Local finances are managed by local authorities - city councils and mayors – according to subsidiarity principle.

Financial resources of local authorities must be proportional to its constitutional and legal competences. Financial autonomy is an instrument of local power's reinforcement and defence.

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