



DIRECTION DES FINANCES ET DES ACHATS

FINANCIAL REPORT



**20
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YEAR

2020

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PREFACE

This 2020 administrative account is drafted in exceptional circumstances, marked by the social and economic consequences of the COVID-19 pandemic. This unprecedented crisis has seriously weakened Parisian finances, notably due to the importance of the tourism, restaurant and culture sectors for Parisian economy.

This accounting exercise, which identifies all expenditure and revenue made in 2020, enables the City of Paris to precisely estimate the cost of the crisis, which is valued at **€772m** for 2020 alone.

This amount includes **240m in additional expenditure** incurred by the health crisis, including a €30m increase of the RSA (minimum income support) due to the slowing of economic activity and the sharp increase in the number of beneficiaries, in combination with massive purchases of personal protective equipment, to the amount of €49m, to protect public servants and Parisians from the virus. The city also recorded **€532m in loss of revenue**. With the slowdown of the property market and tourism, income from tourist tax and taxes on the transfer of property against payment (DMTO) has dropped significantly, resulting in losses of 46m and 170m euros respectively. Moreover, the successive lockdowns caused management income, and particularly that from nurseries, leisure centres and swimming pools, to drop by close to 58m euros. Lastly, in May 2020, the city decided to adopt **an ambitious €200m support plan** to help the most disadvantaged populations and those stakeholders most affected by the crisis, notably in the cultural and associative sector, as well as merchants.

« **WE STAND BY THESE DECISIONS: TO HELP THOSE IN THE MOST DIFFICULTY, TO PROTECT PARISIANS AND OUR PUBLIC SERVANTS, WHILE SUPPORTING OUR ECONOMY AND PURSUING AN AMBITIOUS INVESTMENT POLICY.** »

To finance these efforts, the City widely resorted to loans to compensate for the staggering fall in its savings. In 2020, this “Covid” debt, which represents the additional amount loaned to tackle the crisis, is estimated at **€593m**. Thus, the pandemic pulled the breaks on the momentum observed during the previous term: in 2019, by optimising operating expenses, the total outstanding debt has been reduced by €39m.

To address the current situation, we should be supported by the State. However, this was not the case in 2020. While the City was able to find quick and efficient solutions, **the State should have provided financial support to local authorities on the front line**. Yet, for the second consecutive year, government funding was lower than equalisation payments. Equalisation payments totalled €686m, representing a €79.3m increase, up by 13% compared to the 2019 administrative account. While there is no questioning the legitimacy of territorial solidarity, the appropriateness of these increases during an unprecedented crisis must be queried.

Since 2014, we have committed to stabilising direct taxes in order to support Parisians’ purchasing power and to continue necessary investments to promote ecological transition, the improvement of living conditions and economic recovery during this crisis. .

With the pandemic continuing, we maintain our commitments and continue our efforts to prepare for the end of the crisis and tomorrow’s city.

Paul SIMONDON

*Deputy Mayor of Paris,
in charge of finance, budget,
green finance and funeral affairs.*

I/ OVERVIEW

OF THE BALANCE OF THE 2020 ADMINISTRATIVE ACCOUNT (AA)

I / THE GENERAL BALANCE OF THE 2020 AA

The 2020 administrative account was considerably affected by the economic and social consequences of the COVID-19 health crisis, resulting in a sharp decrease in revenue and a marked increase in the City's expenditure in order to counter the pandemic.

Thus, the 2020 administrative account shows an **actual operating revenue** of **€8,250.6m**, a €349.9m decline, or -4.1%, compared with the 2019 administrative account (€8,600.5m). Simultaneously, **actual operating expenditure** has increased by 3.8% (+ €300.7 m) and stands at **€8,230.5m**, compared with €7,929.8m on the 2019 administrative account. The scissors effect seen in actual operating expenditure and revenue has resulted in a significant drop in **gross savings**, from one year to another, standing at **€20.1m**, representing a €650.6m decline compared to the 2019 administrative account.

The health crisis has also affected the investment section, albeit to a lesser degree. As a year of transition between two terms, the amount of **investment expenditure** on the 2020 administrative account amounted to **€1,365.3m** (compared with €1,568.5m in 2019, €203.2m less), marking a slump in the authority's investments, caused by the end of the investment programme of the last term and the ongoing definition of the new investment programme for the upcoming term, and the postponement of certain projects due to successive lockdowns and sanitary restrictions.

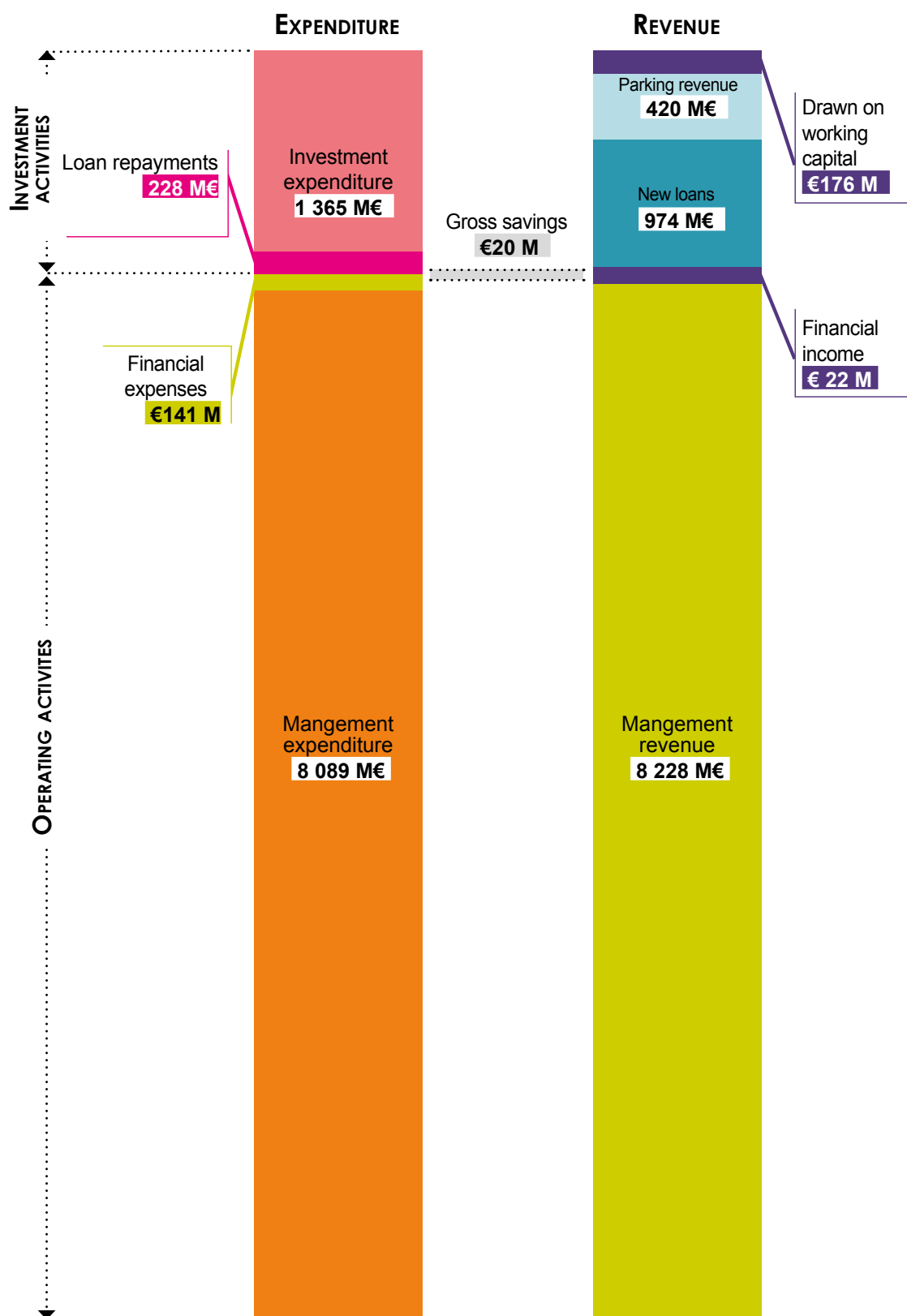
Moreover, to face the urgency of the crisis, the Parisian authority has mobilised to support economic stakeholders and promote recovery, thereby resulting in expenditure that was not originally provided for on the initial investment budget and which is estimated at €57m, and which partly compensates for the downward trend caused by the COVID-19 crisis.

Furthermore, **actual investment revenue** stands at **€420.3m** in 2020, €94.4m less than on the 2019 administrative account; this is mainly due to less property disposals, with the 2019 financial year being marked by a few significant disposals.

In 2020, **investment financing capacity** was therefore reduced to **€440.4m**, i.e., the sum of actual investment revenue (€420.3m) and gross savings (€20.1m), a €745m decline compared to the 2019 administrative account. This covered 27.6% of actual investment expenditure, with gross savings contributing 1.3% of this amount.

As a result, **new loans** were taken out to the amount of €974m. Moreover, **loan repayments** were made to the amount of €227.7m, a €4.7m increase compared to 2019, resulting in a **bank and bond debt** of €6,472.7m and a **total debt** of €6,621.9m. This represents a debt increase of €739.8m over the financial year, a significant portion of which - estimated at €592.6m (see insert on the cost of the pandemic below) - is caused by the COVID-19 crisis.

CONSOLIDATED ADMINISTRATIVE ACCOUNT 2020

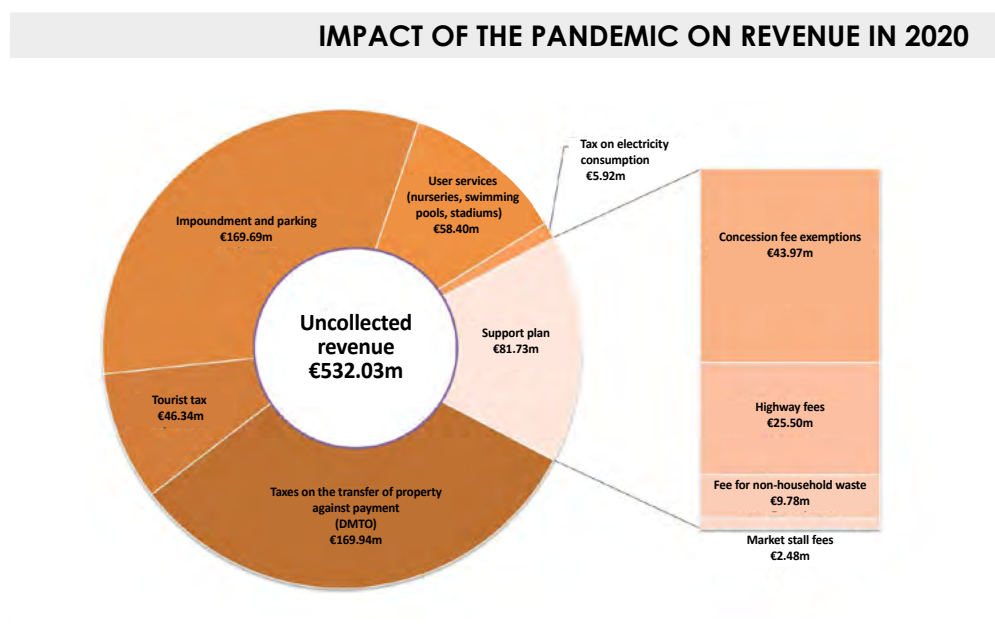


2 / FINANCIAL CONSEQUENCES OF THE PANDEMIC ON PARISIAN FINANCES IN 2020: A "COVID" COST OF CLOSE TO €800M

The Circular of 24 August 2020 enables any authorities who wish to do so to detail any expenditure directly linked to the health crisis in a dedicated statement, to be appended to the 2020 administrative account. Paris has decided to do so while completing this information with data on revenue in order to provide a comprehensive view of the crisis' financial consequences ⁽¹⁾.

The City of Paris has been particularly affected by this crisis due to the structure of its economy, and particularly the weight - including in terms of employment - of the national and international tourism, restaurant and culture sectors. Thus, compared to the budget forecast for 2020, the crisis' consequences on the city's finances are considerable, representing a cost of **€772m**.

► THE CITY RECORDED **€532.03m** IN REVENUE LOSSES (REVENUE FORECAST BY THE 2020 BUDGET BUT NOT COLLECTED).

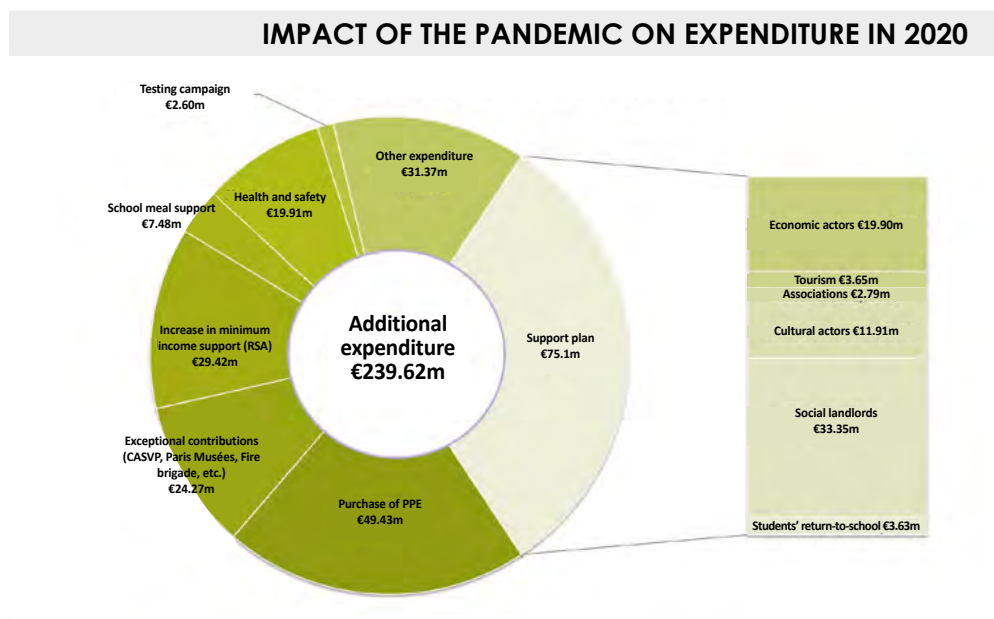


Excluding the support plan (see paragraph on this topic below), these revenue losses are mostly caused by the slowdown of economic activity:

- Significant tax revenue losses, including €169.94m in taxes on the transfer of property against payment (DMTO), €46.34m in tourist taxes and €5.92m in taxes on electricity consumption;
- A sharp decline in impoundment and parking revenue, to the amount of €169.69m;
- Lastly, due to the closure and drop in use of community services (nurseries, stadiums, swimming pools), tariff revenue losses are estimated at €58.41m.

⁽¹⁾To best measure the impact of the crisis on the City's finances, an analysis is being conducted to determine any savings made, particularly as a result of the drop in the purchase of services. However, these savings will need to be put into perspective in light of the significant loss of revenue and the increase in exceptional expenditure in 2020, as described in this document.

► THE CITY ALSO RECORDED ADDITIONAL EXPENDITURE, INCURRED IN ORDER TO TACKLE THE HEALTH CRISIS, TO THE AMOUNT OF **€239.62M**.



Excluding the support plan, this expenditure includes :

- The purchase of personal protective equipment (including masks) for €49.43m,
- Coverage of the increase in RSA (minimum income support) caused by the slowdown of economic activity for €29.42m,
- Exceptional contributions to the City of Paris' operators and partners, in order to support them during the crisis (€10m for the City of Paris' social action centre (CASVP), €10m for Paris Musées, €1.7m for the Paris Fire Brigade (BSPP), €2.6m for the schools' funds), and increasing allocations to special arrondissement statements to the amount of €3.3m for spending incurred by the health context,
- Exceptional aid to disadvantaged Parisian families to help them meet their basic needs, and particularly their food needs, for €7.5m,
- The purchase of hand sanitizer, cleaning products and small equipment for €7.4m,
- Expenditure for the extra cleaning of premises for €7.4m,
- The creation of "coronapiste" cycling lanes for €6.7m,
- The provision of hand sanitizer in public areas (bus stops and public toilets) for €5m,
- Expenditure to organize COVID-19 testing campaigns for €2.6m,
- Increased operating expenses for services due to special working conditions as a result of the health crisis and lockdowns, estimated at €7.7m, including €1.5m for public servants' IT equipment and telecommunications to generalise teleworking, and €0.5m in information and communication expenditure,
- Mobilisation and investment bonuses paid to the authority's public servants who were particularly called on during the lockdown, and the recruitment of reinforcements for some tasks such as the cleaning of premises, with total expenditure for additional staff estimated at €13.6m.

This expenditure is broken down into the main public policy areas as follows :

NAME	2020 EXPENDITURE
General services	€35.1m
Safety	€1.9m
Education, vocational training and learning	€14.6m
Culture, social life, youth, sports and leisure	€22.5m
Healthcare and social action (including personal autonomy allowance (APA) and minimum income support (RSA))	€104.0m
Territorial development and housing	€34.0m
Economic action	€17.3m
Environment	€5.6m
Transport	€7.7m
Wage bill	€13.6m
GRAND TOTAL	€239.6M

► **STARTING IN MAY 2020, THE CITY ALSO CHOSE TO ROLL OUT A €200M SUPPORT PLAN, VOTED FOR UNANIMOUSLY BY THE COUNCIL OF PARIS.**

Faced with the seriousness of the health crisis, the City committed to supporting the most disadvantaged populations and the most severely affected

economic stakeholders, such as the cultural and associative sectors, as well as Parisian merchants.

This ambitious plan, which will continue in 2021, implies a loss of revenue due to local economy exemptions, to the amount of €104.1m :

- exemptions from contractual fees and adjustments granted to the authority's concession holders for €46m,,
- exemptions from public road occupation fees, including fees relating to shop displays and terraces, to continue until the summer of 2021, for €45.8m,
- the special fee for non-household waste dropped by €9.8m in 2020 as a result, notably, of exemptions granted to companies for 6 months,
- loss of revenue from market stall fees to the amount of €2.5m.

This plan also includes direct support measures targeting economic, cultural, social and associative stakeholders weakened by the health crisis, for a total amount of €82.2m in expenditure, comprised of the following financing operations :

- €35.1m in support to social landlords,
- €13.2m, mainly in grants, to cultural stakeholders,
- €7m in refundable advance payments paid as part of the Resilience Fund created by the Région Île-de-France and co-financed by the City,
- €6.4m dedicated to supporting students as part of financial help for the return to school and setting up of students.,
- €5.3m to support the social and solidarity economy,
- €4.8m in compensation for the loss of revenue suffered by market hall delegates,
- €3.6m in exceptional grants to the Paris Tourist and Convention Office (OTCP),
- €2.8m in grants to support the associative sector,
- €2.5m for the 'Redémarrer autrement' ('Relaunching differently') scheme to support environmentally friendly initiatives taken by merchants,,
- €1.6m in special support to libraries.

► THE IMPACT OF THE PANDEMIC ON THE AUTHORITY'S DEBT AMOUNTS TO □ 593M.

This additional expenditure and lesser revenue has contributed towards increasing the authority's debt. Of the €974m in debt incurred by the city in 2020, the debt increase that can be attributed to COVID-19 is estimated at €593m.

Loans (€974m), gross savings (€20m) and other resources are dedicated to covering the investment section's financing requirement (€1,173m on the 2020 administrative account).

The pandemic has generated €240m in overspending, including €57m in investment expenditure and €183m in operating expenditure, as well as a €532m drop in operating revenue.

At the same time, gross savings, which is the difference between operating expenditure and operating revenue, are significantly greater, totalling €735m (i.e., the €20m observed on the 2020 administrative account + €532m for non-collected revenue + €183m in avoided spending).

The €1,116m financing requirement, which is mostly covered by gross savings (€735m), therefore only required recourse to the loan authorisation to the amount of €381m.

With loans representing €974m on the 2020 administrative account, the increase in debt attributable to the pandemic is €593m.

► FACED WITH THIS EXCEPTIONAL CRISIS, PARIS' FINANCIAL SITUATION HAS DETERIORATED DUE TO THE GOVERNMENT'S DISENGAGEMENT.

The crisis has had considerable health, social and economic consequences on the city's finances and, as demonstrated by the association France urbaine, *"the price paid by major cities, communities and metropolises is much greater than that paid by smaller authorities"*, particularly due to the structure of their revenues that are most affected by the COVID-19 crisis.

Despite governmental announcements in support of local authorities, the City of Paris, like many other major cities, benefitted from little governmental aid.

Among the three measures implemented by the government as part of the third Amending Finance Law, the City of Paris only benefitted from a refundable advance payment for the drop in DMTO revenue, representing €23m, when €80m had been promised; the financial advantage of this is moderate given that interest rates are historically low. The city also resorted to staggering expenses, an accounting flexibility allowed by the Government, by spreading €100m in expenses over 5 years, €20m of which must be paid back by 2021.

Furthermore, the city was not eligible for the guaranteed revenue measure provided for by Article 21 of the third Amending Finance Law, like other major French cities, despite the magnitude of its loss of revenue. In this respect, the Court of Audits itself highlighted a significant discrepancy between the authorisation level which members of parliament were asked to debate on, and the actual amounts ultimately incurred.

Lastly, funds from the Recovery Plan (mainly received in the form of allocations to support local investment (DSIL)) represent only 4% of the €1.4b on the City's investment budget.

The crisis is not over and its consequences on the city's finances will continue in 2021. Since March, the cost is estimated at over a billion euros for the City of Paris. Failing targeted measures taken by the Government to compensate for loss of revenue, and particularly tariff revenue, it will be especially difficult to recover the self-financing capacity required to enable Paris to fully play its role in reviving the French economy.

KEY FIGURES BY FUNCTION

Actual operating expenditure stands at €8.23b in 2020.

Actual operating revenue stands at €8.60b.

Actual investment expenditure, excluding loan repayments, amounts to €1.37b, while actual investment revenue totals €0.42b.

The table below shows how expenditure and revenue is broken down in the 2020 administrative account, according to the functions representing the various public policies.

In €m	2018 AA	2019 AA	2020 AA	Change 2019/2020
ACTUAL OPERATING REVENUE	8 485,7	8 600,5	8 250,6	-4,1%
TAXATION	4 922,4	5 089,4	4 982,2	-2,1%
Local direct tax	2 677,4	2 735,6	2 785,0	1,8%
Indirect tax	1 662,4	1 762,7	1 599,7	-9,2%
Earmarked tax	582,6	591,1	597,5	1,1%
ALLOCATIONS AND COMPENSATION	2 002,2	1 986,2	1 984,3	-0,1%
OPERATING REVENUE	1 540,1	1 495,9	1 261,7	-15,7%
Safety	1,6	1,7	1,4	-17,1%
Education, vocational training and learning	37,4	45,0	58,9	30,8%
Culture, social life, youth, sports and leisure	128,4	107,6	65,9	-38,8%
Social action	334,6	333,5	304,4	-8,7%
Territorial development and housing	347,6	305,2	214,7	-29,7%
Economic action	65,7	67,6	64,6	-4,4%
Environment	120,5	119,1	105,7	-11,3%
Transport	335,8	339,9	263,6	-22,5%
General Services	168,7	176,4	182,6	3,5%
FINANCIAL INCOME	20,9	29,0	22,4	-22,9%
ACTUAL OPERATING EXPENDITURE	7 854,6	7 929,8	8 230,5	3,8%
STAFF EXPENSES	2 396,3	2 423,5	2 452,2	1,2%
OPERATING EXPENDITURE (EXCLUDING STAFF EXPENSES)	3 859,8	3 844,8	3 999,1	4,0%
Safety	232,7	237,8	239,8	0,9%
Education, vocational training and learning	234,3	236,2	237,0	0,3%
Culture, social life, youth, sports and leisure	258,8	262,4	276,4	5,3%
Social action	1 741,0	1 718,7	1 822,2	6,0%
Territorial development and housing	99,8	86,9	88,1	1,4%
Economic action	32,7	36,0	49,5	37,4%
Environment	356,9	346,0	356,2	3,0%
Transport	525,0	543,1	545,2	0,4%
General Services	378,5	377,7	384,7	1,9%
EQUALISATION AND TAX REPAYMENTS	1 460,8	1 521,5	1 637,8	7,6%
FINANCIAL EXPENSES	137,6	140,0	141,5	1,0%
GROSS SAVINGS (DIFFERENCE BETWEEN OPERATING REVENUE AND OPERATING EXPENDITURE)	631,1	670,7	20,1	-97,0%
ACTUAL INVESTMENT REVENUE	612,9	514,7	420,3	-18,3%
ACTUAL INVESTMENT EXPENDITURE	1 544,9	1 791,5	1 593,0	-11,1%
Loan repayments	199,0	223,0	227,7	2,1%
Operational expenditure	1 346,0	1 568,5	1 365,3	-13,0%
NEW LOANS	375,0	250,0	974,0	289,6%
Of which share premiums	1,2	1,8	2,5	-238,9%
Bank and bond debt	5 699,3	5 726,3	6 472,7	13,0%
Total debt stock on 31/12/N	5 921,5	5 882,1	6 621,9	12,6%
DEBT PAY-OFF PERIOD	9,38	8,77	329,82	3 660,7%

CLIMATE ASSESSMENT OF THE AUTHORITY'S BUDGET

In the 2021 initial budget report, the City of Paris recommended actively participating in the innovative approach of performing a climate assessment on its finances, in collaboration with the organisation I4CE (Institute for Climate Economics) and its partners. This assessment aims to assess which expenses have a significant impact, whether positively or negatively, on the climate. A first experiment was conducted on expenditure on the 2019 administrative account. This study will be repeated for expenditure on the 2020 administrative account and the results will again be published alongside the vote on the 2022 initial budget.

Furthermore, the Term Investment Programme, which is currently being developed, will be an opportunity to apply this method to a multi-annual financial period and to improve it while involving all of the City's operational directorates in this approach, as part of the working sessions launched in March 2021.

3 / DESCRIPTION OF THE MAIN ITEMS OF EXPENDITURE AND REVENUE

Details of the items below are provided in the following sections of this report.

► 3.1. THE OPERATING SECTION SHOWS GROSS SAVINGS HAVE SIGNIFICANTLY DROPPED, TO -20M, AS A RESULT OF THE HEALTH, SOCIAL AND ECONOMIC CRISIS.

► 3.1.1. OPERATING REVENUE IN SHARP DECLINE IN A DETERIORATED ECONOMIC CONTEXT.

Actual operating revenue stands at €8,250.6m, €349.9m less than on the 2019 AA, or -4.1% (€8,600.5m) as a result of the pandemic and in a context of structural disengagement on the Government's part.

This downward trend is mostly due to :

- Tax revenues declining by €107.2m compared to the 2019 AA, mainly as a result of the drop in property taxes and revenue from tourist tax, with the tourism and property sectors being among the most affected by the health crisis and the lockdown measures taken;;
- Lesser management revenue, down by €234.2m compared to the 2019 AA, mainly as a result of tariff revenue losses and tax and concession fee exemptions - also consequences of the COVID-19 crisis -, and, to a lesser extent, of the drop in exceptional revenue from the Territorial development and housing function.

Tax revenues stand at €4,982.2m, €107.2m less or -2.1% compared to the 2019 AA.

This decline is caused by the consequences of the economic crisis on property taxes (- €106.7m) and tourist taxes (- €51.4m) and, to a lesser extent, taxes on final electricity consumption (TCFE, - €3m), as well as taxes on gaming circles (- €1.5m).

However, these declines are partially compensated for by an increase in other tax revenue, to the amount of €55.8m, including income from land tax (TF, + €15.4m or +1.5% compared to the 2019 AA), from business property tax (CFE, + €4.9m or +1.5% compared to the 2019 AA), and income from tax on household waste removal (TEOM, + €6.1m), caused by the updating of tax bases decided by tax departments, and from corporate value-added contribution (CVAE, + €29.6m or +5.9% compared to the 2019 AA), in line with the dynamism of financial, property and insurance activities during the reference year.

Allocations and compensations were generally stable at €1,984.3m on the AA 2020, or - €1.9m compared with the 2019 AA.

This amount is essentially attributable to the combined effects of the general operating grant's (DGF) continued decline, at €53.5m (- €19.9m compared to the 2019 AA), the increase in compensations for personal autonomy allowance (APA, + €12.2m), of compensations paid by the Government for local tax exemptions (+ €3.6m), and the dynamism of tax on insurance policies, a fraction of which is assigned to the City of Paris to finance social transfers of competence (TSCA, + €2.9m).

Management revenues stand at €1,261.7m, representing a €234.2m drop compared to the 2019 AA, due to two main factors: first and foremost (€163.6m), the health crisis and its consequences on user contributions as a result of the closure of services, as well as on taxes and concession fees subject to exemptions; secondly, a €70.6m drop as a result of the non-renewal of exceptional revenue in 2020, particularly revenue from joint development zones or from certain specific property disposals charged to the operating section in 2019.

The main changes in revenue according to function, as detailed in the following sections of this financial report, are as follows :

As regards the **Territorial development and housing** function, revenues are down by €90.5m compared to the 2019 AA, primarily as a result of the non-renewal of exceptional revenue of €41.7m from the disposal of a property complex located in the municipality of Athis-Mons, the decline in surplus income from joint development zones (ZAC) to the amount of - €37.5m and the decrease in revenue from capitalised rents together with the number of agreements in 2020 (- €8m).

Revenue from the **Transport** section has been particularly affected by the COVID-19 crisis and lockdown measures, resulting in a €76.3m drop compared to the 2019 AA. Thus, parking revenues stand at €175m, a €61.9m drop due to the free parking measures implemented from March to May 2020. Impoundment revenues are also impacted and declined by €3.5m in 2020. Lastly, income from parking concession fees has declined by €9.8m as a result of the fall in concession holders' turnover.

Within the **Culture, social life, youth and sports** function, revenues have dropped by €41.7m due, in part, to a change in the allocation of family

benefit (CAF) revenues to the Education, vocational training and learning function to the amount of €19m and, in part, due to the consequences of the health and economic crisis, with a loss of user revenue from sports, cultural and youth services to the amount of €9.7m, and a decrease in fees collected from stadiums under outsourced management to the amount of €12.3m.

In the field of **Healthcare, social action and early childhood**, the health crisis and lockdowns have severely deteriorated the level of revenue, which has declined by €29.1m compared with the 2019 AA. The closure of most nurseries as from mid-March and their gradual reopening as of mid-May resulted in a €28.7m drop in family contributions, or 33% compared to 2019. Revenue from family benefits relating to early childhood was less impacted thanks to compensation measures implemented by the CAF and suffered a €5.3m decline.

Revenue from the **Environment** function has dropped by €13.4m compared to the 2019 AA, due to the consequences of the COVID-19 epidemic and, in particular, the exemptions granted from the special fee for non-household waste (RDNM) for six months, to the amount of €9.8m, and the €3.4m decrease in reimbursements for fluids on special arrondissement statements due to a decline in energy consumption during the lockdown.

Lastly, the **Economic action** function also experienced a decline in revenue, limited to €3m, due to a combination of crisis' consequences on the economic sector, resulting in €29.5m in loss of revenues, and the receipt of exceptional revenues to the amount of €28m as a result of the agreement with Médiakiosk. Exemptions from public road occupation fees resulted in a €24.5m decline compared to the 2019 AA, at constant figures. Furthermore, the loss in revenue relating to activities in public areas stands at €6.5m (fairgrounds, markets, property income, etc.).

Only two public policies, although also affected by the health crisis, have revenues that have increased compared to the 2019 AA.

For the **Education, vocational training and learning** function, the €2.7m decrease in user revenues due to the crisis (during extracurricular activity time (TAP) and municipal adult classes (CMA)), and the €2.5m decline in revenues from State-aided contracts, have been compensated for by transferring CAF revenues relating to school activity time from the Culture, social life, youth and sports function to the amount of €19m.

Furthermore, the decrease in revenue from the **General services** function, to the amount of €14.4m, which includes the decline in revenue from European Structural Funds and reimbursements for staff provided, is covered by the State's offer to refund a portion of authorities' expenditure to purchase personal protective equipment between March and June 2020, to the amount of €17m (which has still not been paid to the City) and, to a lesser extent, by the €4m increase in income from street information furniture (MUI) fees.

Lastly, **financial income** totals €22.4m, a €6.6m decline compared to the 2019 AA. This decrease is a result of the decrease in income from dividends collected by the City, caused by the economic crisis.

EVOLUTION OF THE PARISIAN AUTHORITY'S ACTUAL OPERATING REVENUE SINCE 2017 (IN €M)



► 3.1.2 DYNAMIC OPERATING EXPENDITURE, SEVERELY AFFECTED BY THE HEALTH CRISIS, USED TO SUPPORT PARISIANS AND ECONOMIC ACTIVITY

Actual operating expenditure totals €8,230.5m, a 3.8% increase compared to the 2019 AA (€7,929.8m).

This €300.7m increase in expenditure can be broken down into four main items :

- **Staff expenses** have increased by 1.2%, representing €28.7m, caused by both the spontaneous increase in wage bill expenditure and the consequences of the COVID-19 crisis, valued at €13.6m;
- **Management expenditure** has increased by €154.3m, mainly due to the health, social and economic crisis, particularly due to the increase in health and social action spending and in line with the rolling out of the culture, association and economic activity support plans ;
- **Equalisation and tax retransfer expenditure** is up by €116.3m compared to the AA 2019, primarily a result of the increase in the Parisian authority's participation towards the equalisation fund for taxes for transfers of property against payment (DMTO) on the one hand, to the amount of + €76.7m compared to the AA 2019, and of the reassessment of levies under the special fines account on the other hand, to the amount of + €30.5m compared to 2019 ;
- **Financial expenses** have increased by €1m.

Staff expenditure represents 29.8% of actual operating expenditure (a proportion relatively stable compared to the AA 2019) and stand at €2,452.2m in 2020. .

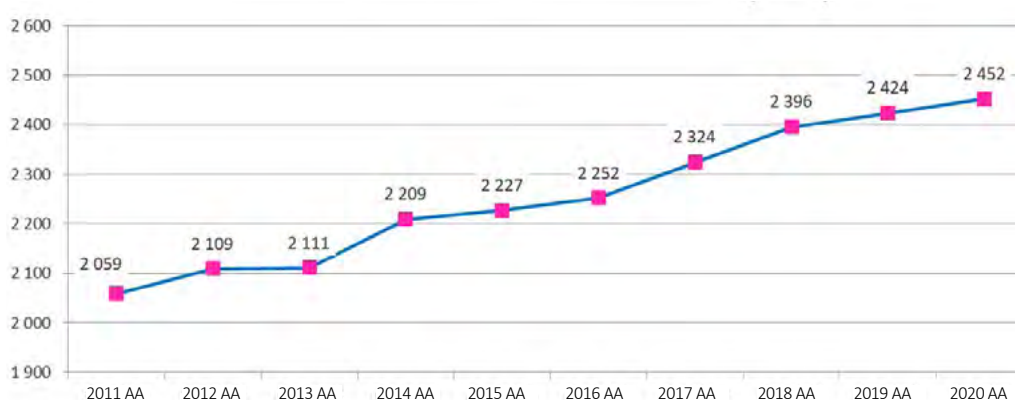
The implementation rate for 2020 stands at 99.4%, representing an implementation €14.4m less than the initial budget appropriations for 2020.

In comparison with the AA 2019, staff expenditure has increased by €28.6m, a 1.18% variation. This increase is due to the spontaneous evolution of the wage bill, through the age and job-skill coefficient (GVT), as well as through various additional expenditures incurred by the health crisis, with :

- the cost of exceptional wage measures triggered during the first lockdown (mobility bonus, investment bonus), + €11.6m;
- the hiring of 150 additional cleaning agents by the Directorate for School Affairs (DASCO), to comply with the various successive health protocols and in order to enable the reopening and running of schools, + €3.4m.

At the same time, the health context caused a lag in recruitment in some areas, resulting in less spending, to the amount of €3.5m.

EVOLUTION OF THE WAGE BILL BETWEEN 2011 AND 2020 (IN € M)



Management expenditure stands at €3,999.1m, up €154.3m compared to the AA 2019, or a 4% increase. This upwards trend is most obvious for the public policy on 'Health, social action and early childhood', closely followed by the Culture, social life, youth and sports, Economic action, Environment and General services functions, mostly due to the consequences of the health and economic crisis. The main changes according to function, detailed in the sections on public policies, are as follows:

Health and social action spending has increased by €103.5m, 6% more than in the AA 2019. Thus, health spending has grown considerably, from €22.7m in 2019 to €57.8m in 2020, as a result of the COVID-19 epidemic. These appropriations enabled the implementation of protective and preventative measures for Parisians and public agents, including the purchase of personal protective equipment for €32.2m (in addition to General services spending totalling €49.4m) and the organisation of testing campaigns for a cost of €2.6m.

Furthermore, the increase in the number of beneficiaries of minimum income support (Revenu de Solidarité Active, RSA) during the crisis (+8.5% on average between 2019 and 2020, with 70,065 beneficiaries in December 2020) has resulted in a €29.6m increase in benefit spending, along with initiatives to support beneficiaries as part of the Parisian Plan for Inclusion via Employment (PPIE, + €1.3m).

Childhood social assistance expenditure is also dynamic (+ €24.8m), both as a result of the health and social crises, and particularly the payment of exceptional aid to disadvantaged Parisian families to the amount of €7.5m, and the opening of new specialised accommodation structures for youths suffering from behavioural disorders and the increase in care provided to unaccompanied minors (MNA).

The Parisian authority's contribution towards the budget of the City of Paris' Social Action Centre (CASVP) totalled €379.4m on the AA 2020, a €11.3m increase compared to 2019, particularly due to an exceptional contribution of €10m to address the social consequences of the health crisis.

Lastly, spending for people with a disability, disadvantaged people and nurseries also increased, by €9m for housing and benefits for disabled persons, due to the increase in the number of beneficiaries, by €6.2m with an exceptional payment of €2.5m for the housing solidarity fund (Fonds de solidarité logement, FSL) and the funding of initiatives to combat exclusion, and by €3.1m due to an increase in the fleet of nurseries spots in 2019 and 2020.

On the contrary, spending for the elderly and the personal autonomy allowance (APA) decreased by €17.1m compared to the AA 2019, due to a downturn in the number of beneficiaries.

For the **Culture, social life, youth and sports** function, spending increased by €14m, caused on the one hand by financing for the support plan for cultural stakeholders, to the amount of €11.7m, by the exceptional contribution of €10m to Paris Musées, and by savings to the amounts of €7m as a result of the closure of sports, cultural and extracurricular services during lockdowns.

Spending for the **Economic action** function have also been severely affected by the health crisis and the support plan for economic stakeholders implemented by the Parisian authority, with a €13.5m increase compared to 2019. This includes an additional €6.2m dedicated to supporting merchants and further financing to support tourism structures (+ €3.3m), the social and solidarity economy (+ €2.1m) and economic inclusion (+ €1.7m).

The **Environment** function has incurred a €10.2 increase in spending compared to 2019, most of which due to the health crisis and the provision of hand sanitizer in public areas, for a total of €5m. Spending for waste collection has been dynamic, representing + €2.9m compared to 2019, particularly as a result of contractual price review clauses. Lastly, fluid spending has also increased by €2m.

Spending on **General service** are up by €12m compared to the AA 2019, as a result of both exceptional spending and savings, mostly caused by the health crisis. Thus, the acquisition of personal protective equipment totals €21.3m, in addition to the purchases made under the Health subfunction for a total of €49.4m. Furthermore, human resource management spending has dropped by €7.3m, particularly for training, supplementary leave and workplace accident coverage, as a result of the lockdown measures taken. Similarly, spending on communication and event organisation has also decreased by €4m in 2020. The General services function has also undergone changes not tied to the health crisis, with a €9.2m increase in spending for property management, with new leases on administrative buildings, a €3m decrease in operating appropriations dedicated to project management assistance, as part of the transfer of some of these services into investment, and lastly the decrease in spending for accounting adjustments, as a result of the improvement of the authority's accounting organisation.

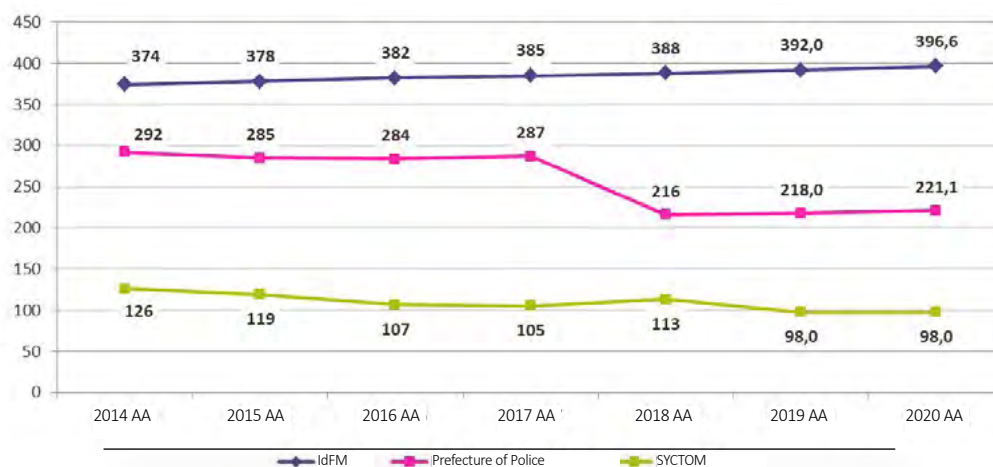
The effects of the health crisis on the **Transport** function have mainly resulted in savings, widely compensated for by some structurally dynamic spending, resulting in a + €2.1m increase compared to the AA 2019. Thus, spending relating to parking concessions (+ €6.2m), to the contribution to Île-de-France Mobilités (+ €4.5m), to support to transport for minors (+ €2.6m) and to surface parking and parking control (+ €2m) is in increase. Furthermore, the following expenditure items are in decline due to lockdown measures: impoundments (- €4.8m), third party work (- €3.3m), coach parking (- €2.2m), services for persons with reduced mobility (PRM, - €1.5m), as well as expenditure relating to the operation of crossings (- €1.1m).

Lastly, as regards the **Safety** function, the Parisian authority's contribution towards funding the Paris Fire Brigade (BSPP) has increased by €2.6m, as part of the modernisation plan to improve fire fighters' working conditions

Within management expenditure, various **contributions** made by the Parisian authority have increased by €7.7 compared to the AA 2019, to total €715.7m :

- the contribution paid to **Ile-de-France Mobilités (IDFM)** stands at €396.6m, up by €4.6m euros compared to the AA 2019, or a 1.14% increase ;
- the contribution to the **Prefecture of Police** totals €221.1m, a €3.1m increase compared to the AA 2019. This change is a result of the increase in the contribution paid to the Paris Fire Brigade (BSPP), standing at €92.5m on the AA 2020, in order to fund the Brigade's modernisation plan as well as some of the effects of the health crisis (see "Presentation according to public policy, 'Safety' function);
- the contribution to the **Intercommunal household waste treatment syndicate** (SYCTOM) stands at €98m, an amount that is relatively stable compared to the AA 2019, but €6.4m lower than initial budget appropriations for 2020, due to the decrease in tonnage observed during the health crisis.

EVOLUTION OF THE PARISIAN AUTHORITY'S CONTRIBUTIONS SINCE 2014 (IN €M)



Equalisation and tax retransfer expenditure stands at €1,637.8m on the AA 2020, a €116.3m increase compared to the AA 2019.

This evolution is the result of two main factors: first, the equalisation for the DMT0 fund which stands at €244.9m, or + €76.7m compared to the AA 2019, due to a reform established by the 2020 Finance Act and which resulted in an increase in Paris' contribution as from 2020; and, second, the territorial authority's increased contribution towards the special administrative account for Fines, up by €30.5m, due to a paid parking municipalisation reform in 2018, the health crisis and the lockdown. To a lesser extent, this increase has also been caused by an increase in tax repayments, to the amount of €5.4m, due to DMT0 rebates granted further to disputes or housing tax adjustments regarding secondary residences.

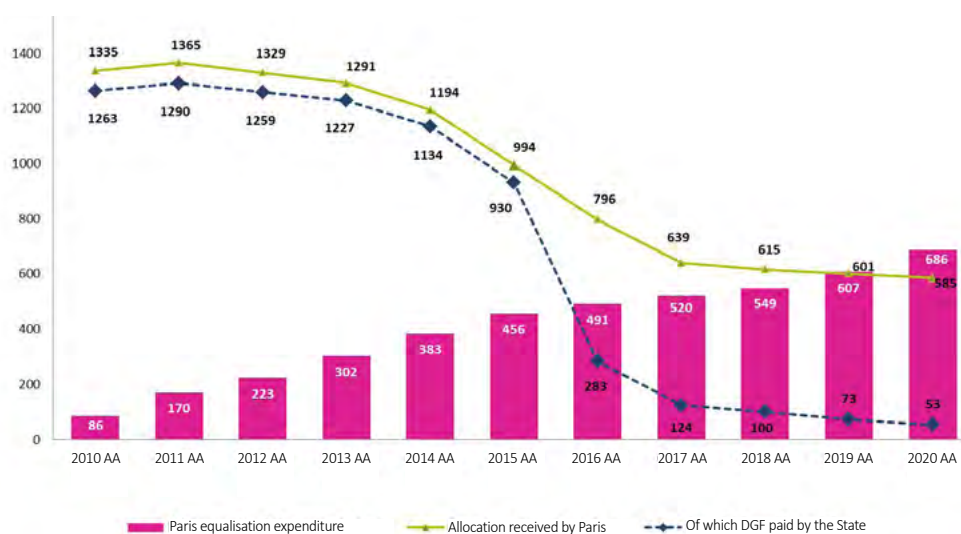
Equalisation expenditure totals €686.2m, a €79.3m increase or +13.1% compared to the AA 2019, primarily as a result of the increase in Paris' contribution towards the DMT0 equalisation fund.

Alongside this increase in equalisation expenditure, the general operating grant (DGF) received by Paris has decreased by €19.9m compared to the AA 2019, a result of the capping applied to help finance internal DGF equalisation schemes.

Thus, the scissors effect continues to increase, with equalisation expenditure (€686m) being higher, for the second consecutive year, and over €100m higher in 2020, than allocations received (€585m), following the trend already observed in 2019.

Evolution of equalisation expenditure and allocations received by Paris between 2010 and 2020 (in €m)

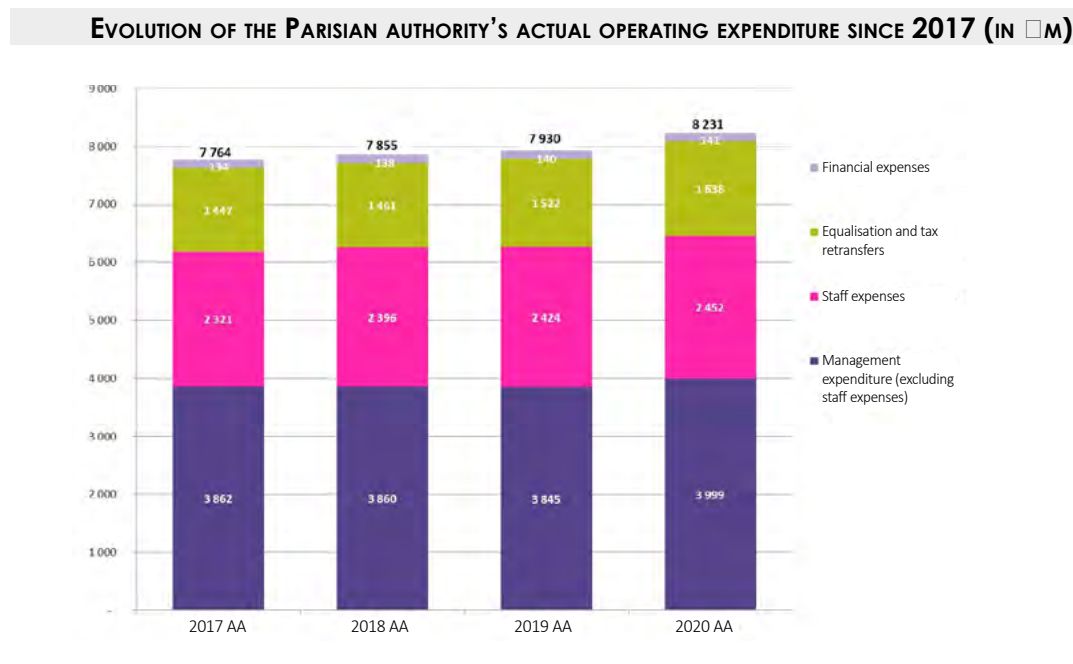
SCISSORS EFFECT OF STATE ALLOCATIONS AND EQUALISATION EXPENDITURE BETWEEN 2010 AND 2020 (IN €M)



It should be noted that since 2016 the Métropole du Grand Paris (MGP) receives the 'salary share compensation' allocation of the DGF fixed allocation instead of the City. The MGP then pays the city a compensation allocation matching the difference between the resources and expenses transferred. This retransfer includes the 'CPS' allocation, to the amount of €453m, which explains the difference between the total amount of allocations received, €585m) and the amount of financial support paid directly by the State, €132mm, including the DGF (€53m), the general decentralisation allocation (€16m), compensations for tax exemptions (€50m), the security identity documents allocation (€1m), and the compensation fund for

operating VAT (€11m).

Lastly, **financial fees** are estimated at €141.5m, a €1.5m increase compared to the AA 2019, mostly due to the increase in the use of loans in 2020.



► 3.2 THE DECREASE IN THE CAPACITY TO FINANCE INVESTMENT, PARTICULARLY AFFECTED BY THE HEALTH AND ECONOMIC CRISIS, HAS REQUIRED FURTHER RECOURSE TO LOANS

► 3.2.1 ACTUAL INVESTMENT REVENUE IN DECLINE COMPARED TO 2019

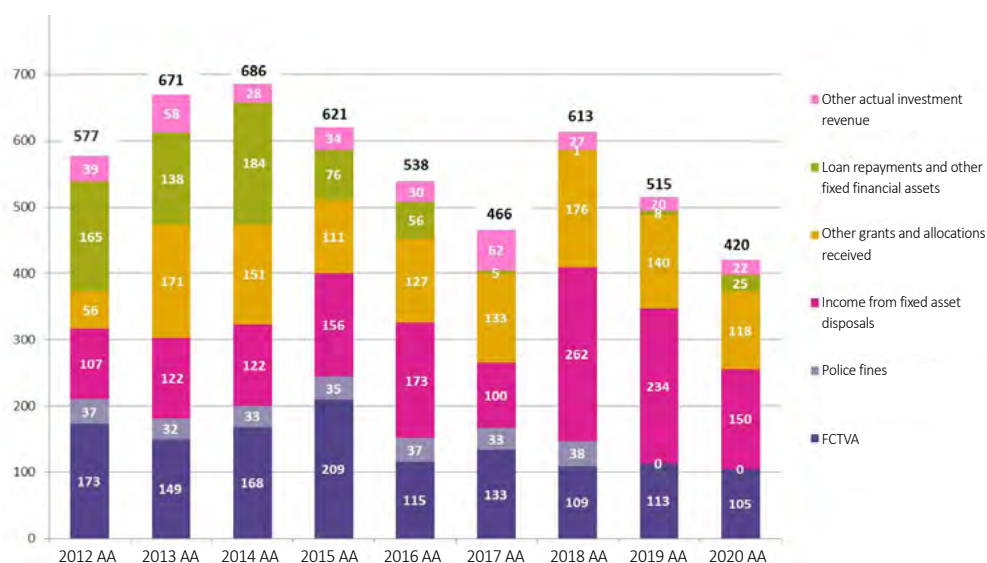
Actual investment revenue stands at €420.3m in 2020, €94.4m less than on the AA 2019. First and foremost, this trend is caused by the drop in both volume and value of 2020 transfers compared to the previous year (- €84.2m). In fact, 2019 was a financial year marked by the recording of several large transfers (the "Réinventer Paris" (Reinvent Paris) Eole Evangile call for innovative urban projects - Fertile Island project for €45m, ZAC PRG rights-of-way (13th) for €34.6m and the Léon Jouhaux site (10th) for €35m). It is also caused by a decrease in third-party revenue (- €8.9m) due to the postponement of projects further to the crisis. Lastly, this decline is also tied to a decrease in construction grants paid by the State (- €8.6m) as a result of lesser expenditure with the slowdown of construction sites and the payment frequency provided for by the 2017-2022 multi-annual agreement.

However, the slump observed in some revenue items is compensated for by growth in other items, such as other actual investment revenue (+ €11.3m), in connection, in particular, with an accounting adjustment as part of the Paul Meurice development project (20e).

2020 revenue is comprised of :

- **grants and allocations** received to the amount of **€222.8m**. This includes €105.2m under the compensation fund for value added tax (FC-TVA), and €0.3m for the sum of police fines (départemental share). Other capital grants received by the territorial authority (€117.4m) include €76.3m paid by the State in construction grants, €6.2m in development tax, €5.8m in départemental allocations for secondary schools and €11.2m paid by SOLIDEO (Olympic works company) for equipment prepared by the City to accommodate the 2024 Olympic and Paralympic Games;
- **income from fixed asset disposals**, standing at **€150.4m**. Main disposals in 2020 include the Grésillons city garden in Asnières (92) for €62.1m, the 'Reinventing cities' call for innovative urban projects - Porte de Montreuil for €26.7m, the joint development zone Paul Bourget land for €7.2m and the building located 106-108 rue de l'Ouest (14e) for €6.4m;
- **€22.2m in other actual investment revenue** : €9.1m from third-party revenue, of which €6m for roadworks and €2.9m for works in Parisian museums;
- **€24.9m loan repayments and advance payments**, of which €23.1m in refundable DMTO advance payments.

EVOLUTION OF THE PARISIAN AUTHORITY'S ACTUAL INVESTMENT REVENUE SINCE 2012 (IN €M)



► 3.2.2 INVESTMENT EXPENDITURE STILL HIGH, DESPITE ECONOMIC SLOWDOWN DUE TO THE HEALTH CRISIS

Investment expenditure stands at €1,365.3m in 2020, €203.2m less than on the AA 2019, a year which was characterised by an exceptional amount of expenditure in connection with the pace for implementing the investment programme set out by the term starting in 2014.

Equipment expenditure stands at €827.2m and accounts for 61% of actual investment expenditure. This expenditure is broken down as follows :

- €491.4 in work expenditure;
- €285.8 in acquisitions ;
- €50.1 in intangible assets (notably study costs, integration costs and research costs).

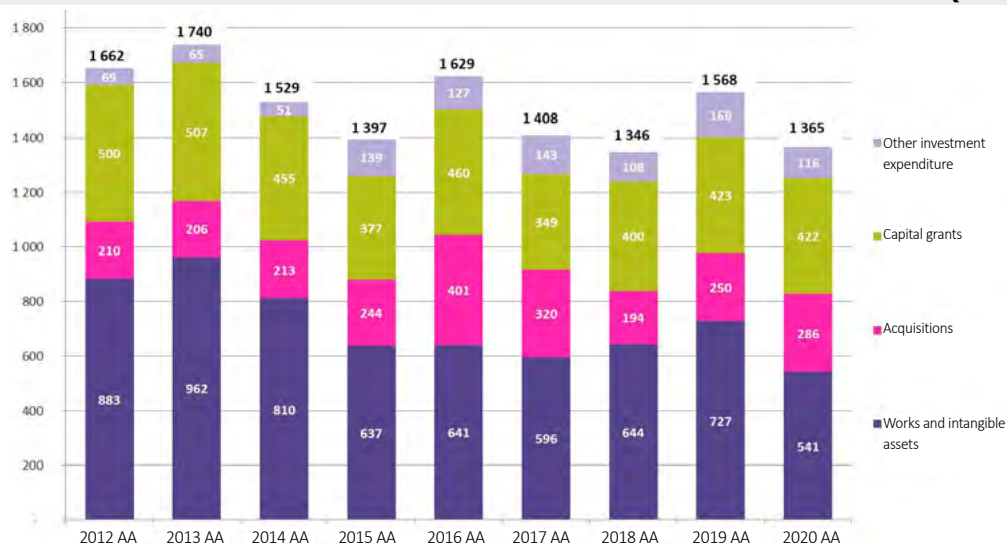
Among this equipment expenditure, €163.2m is dedicated to **land acquisitions**, of which €144.6m for social housing.

Capital grants account for €422.1m, of which €223.8m for social housing.

Other investment expenditure, to the amount of €115.9m, includes :

- €81.9 in other expenditures;
- €27.0m for third-party operations ;
- €7.0m in loans granted to third parties.

EVOLUTION OF THE PARISIAN AUTHORITY'S ACTUAL INVESTMENT EXPENDITURE SINCE 2012 EXCLUDING LOAN REPAYMENTS (IN €M)

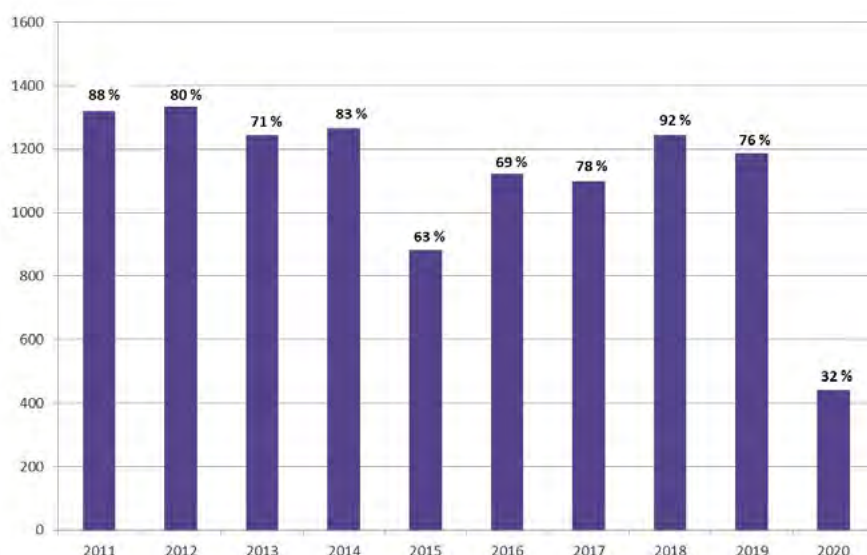


► 3.2.3 AN INCREASE IN DEBT DUE TO THE CONSEQUENCES OF THE HEALTH CRISIS

Due to the drop in gross savings - which stands at €20.1m in 2020 - and, to a lesser extent, to the decrease in investment revenue, the territorial authority's capacity to finance investments has shrunk significantly compared to 2019 and now stands at €440.4m.

With actual investment expenditure having decreased by €203.2m compared to the AA 2019, the city has funded 32.3% of its investments in 2020 using its own funds, compared with 75.6% on the AA 2019.

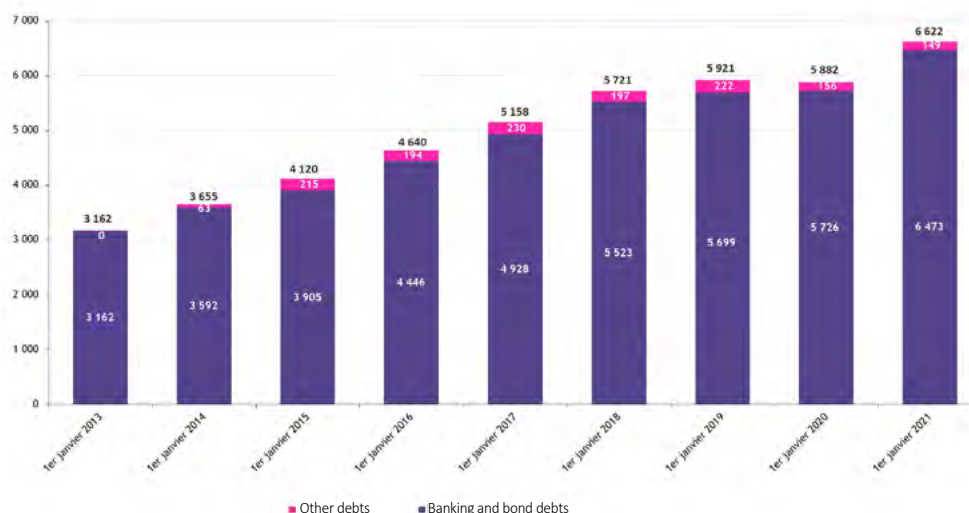
PARISIAN AUTHORITY'S INVESTMENT CAPACITY SINCE 2011 IN □M AND IN % OF THE AMOUNT OF INVESTMENTS CARRIED OUT



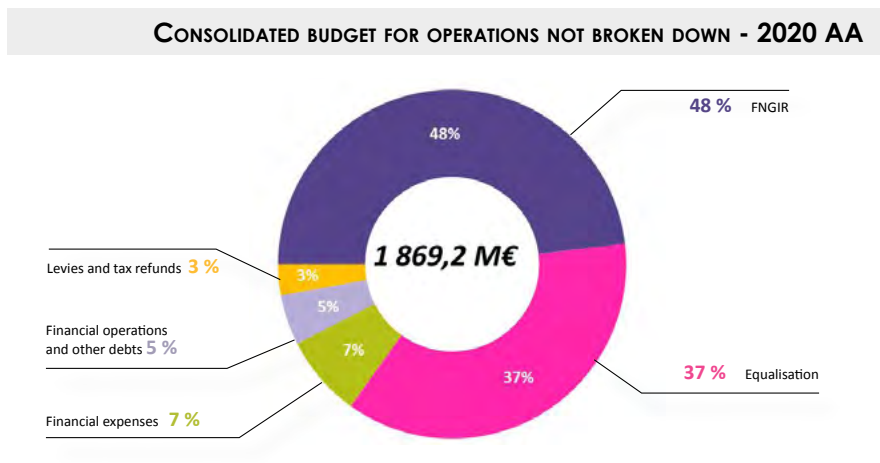
Consequently, the Parisian authority has had to largely resort to loans, in order to maintain its investment expenditure and support economic actors. **New loans** amount to €974m, compared to €250m the year before, with loan repayments accounting for €227.7m in 2020.

At the end of the 2020 financial year, **banking and bond debt stands at €6,472.7m**, a €746.3m increase compared to the end of 2019, which is increased by other debts taken out as part of land and development operations (€26.6m), the loan repayment plan for Philharmonie (€99.5m) and the amount of the advance of DMTO revenue of €23.1m paid by the State to the authority as part of the measures to support local authorities. As such, the city's total debt stands at **€6,621.9m**, a €739.8m increase in 2020.

EVOLUTION OF OUTSTANDING BANK DEBT AND OF TOTAL DEBT FROM 2013 TO 2021 (IN □M)



II/ CROSS-FUNCTIONAL APPROPRIATIONS : TAXATION, ALLOCATIONS, EQUALISATION AND FINANCIAL OPERATIONS



METHODOLOGICAL NOTE :

In accordance with budgeting and accounting instructions, function 0 "General services" includes "indivisible operations" (sub-function 01), comprised of extra-operational expenditure and revenue which contribute towards the major financial balances of the Parisian authority's budget (notably tax revenue and equalisation expenditure). These operations are described in this section.

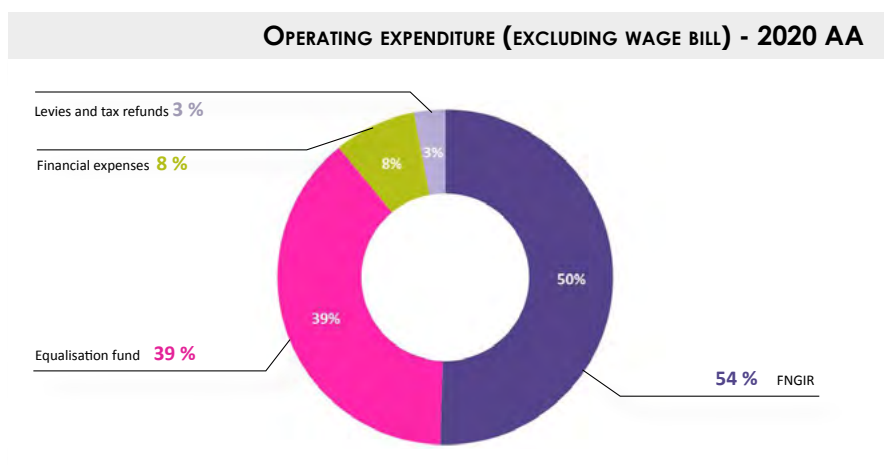
The other appropriations from the "General services" function (appropriations from the operation of the authority's services and public equipment, special arrondissement statements (états spéciaux d'arrondissement, ESA), appropriations relating to international action and European fund management) are described on sheet 9 "General services - divisible operations" under Section III.

IN € MILLION	2019 AA	2020 AA
Operating expenditure	1 661,6	1 779,3
Investment expenditure	121,5	87,0
Operating revenue	6 229,0	6 095,3
Investment revenue	205,6	146,3

OPERATING SECTION

1.1 Expenditure

Operating expenditure for indivisible operations stands at €1,779.3m, a €117.8m increase compared to the 2019 AA.

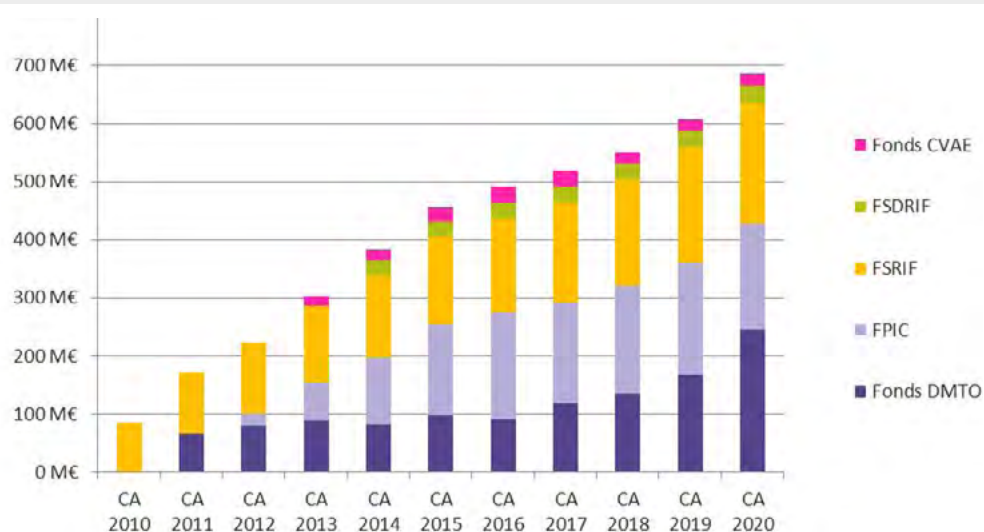


⁽¹⁾ As well as order operations. All amounts set out in this section of the report are actual expenditure and revenue, self-financing and order operations are detailed in section IV of the report. These are mainly accounting operations (notably depreciation, provisions for contingency), with expenditure and revenue strictly in balance.

► **Equalisation payments have increased by 13% in 2020 compared to 2019.**

Equalisation includes all redistribution mechanisms to reduce inequalities between the various territorial authorities. For the Parisian authority, **equalisation payments (excluding the national individual resource guarantee fund, FNGIR for its French acronym) stand at €686.2m on the 2020 AA**, a €79.3m increase (+13%) compares to the 2019 AA, caused chiefly by the removal of the DMTO equalisation fund ceiling (+ €76m) and the increase in contribution towards the Île-de-France region's solidarity fund (+ €10m). Compared to the 2010 financial year, in 11 years, Paris has multiplied its annual contribution towards national and Île-de-France solidarity by 8. In 2020, total equalisation at municipal and départemental level represented approximately €3 billion (compared with close to €2.9 billion in 2019). As such, the Parisian authority finances over 22% of this amount through its contributions to various funds.

EVOLUTION OF LEVIES FOR EQUALISATION FINANCED BY THE CITY OF PARIS (2010-2020)



Paris' participation towards the **national fund for the equalisation of intermunicipal and municipal resources** (fonds national de péréquation des ressources intercommunales et communales, **FPIC**) is slightly less than in 2019 (- €8.9m) and stands at €183.2m. Thus, Paris contributes towards 18.3% of the total fund (€1 billion). This decline is the result of capping rules which reduce levies for the FPIC for a given year by the amount of its contribution towards the Île-de-France region municipal solidarity fund (FSRIF) the previous year. As the levy borne by Paris for the FSRIF in 2019 increased, the levy borne for the FPIC in 2020 was reduced.

Paris' contribution towards the **Île-de-France region municipal solidarity fund (FSRIF)** stands at €207.9m on the 2020 AA, compared to €197.9m on the 2019 AA. The levy notified for Paris for 2020 was therefore increased by €10m, due to the increase in the total amount of the fund voted as part of the Finance Act for 2020 (which has risen by approximately €10m every year since 2010).

The Parisian authority has also contributed towards the **Île-de-France region département solidarity fund (FSDRIF)** to the amount of €30m in 2020, an amount that is stable compared to 2019.

The city also contributes towards the **equalisation fund for corporate value-added contribution (CVAE)**, to the amount of €20.1m, an 8% increase compared to the amount levied in 2019. As the amount of its contribution towards this fund is capped at 4% of the CVAE revenue from the previous year, this increase is the result of the rise in CVAE 2019 revenue compared to the amount of CVAE 2018.

Paris **further contributed towards the general equalisation fund for taxes on the transfer of property against payment (DMTO) to the amount of €244.9m**, a 46% increase compared to the 2019 AA (+ €76.7m). This significant increase is caused by the reform of this type of equalisation by the Finance Act for 2020. Pursuant to this Act, the two funds that had existed up until 2019 were merged into one single fund and contribution capping mechanisms were revised. Of the two envelopes the city contributed towards for this fund, only one is capped. As a result, the increase in the value of départemental real estate transactions observed in 2019 has caused equalisation to increase significantly in 2020.

Lastly, Paris' contribution towards the **national individual resource guarantee fund (FNGIR)**, created in 2011 following the professional tax reform, was renewed to the amount of €898.2m in 2020. The amount of this levy has been stable since 2011.

► **Tax levies and refunds stand at €50.6m on the 2020 AA, up by €35.9m compared to the 2019 AA.**

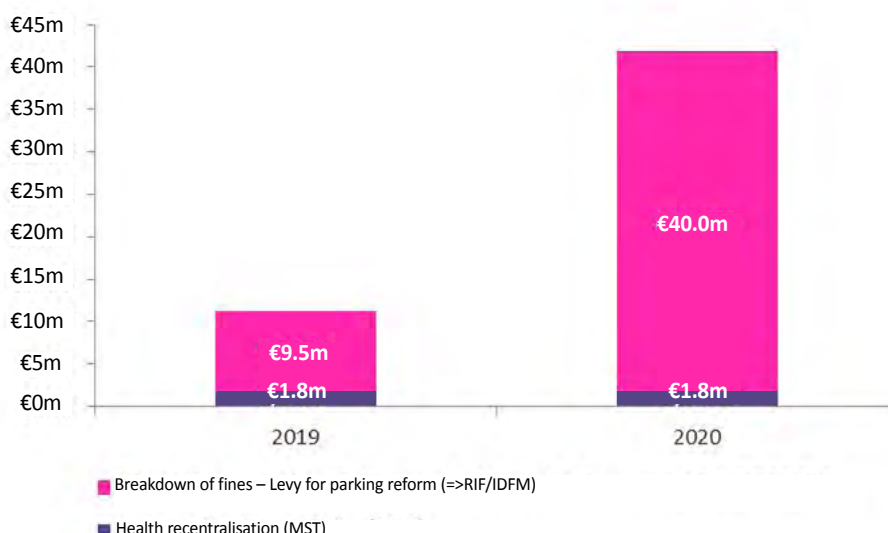
Levies on revenue for the earmarked account (EA) for fines stand at €40m in 2020, compared to €9.5m in 2019.

It should be noted that the "Fines" EA provides for the distribution of income from police fines collected by the State to the benefit, in part, of local authorities to enable them to carry out road investments. For municipalities, it is provided that those with under 10,000 inhabitants benefit from an allocation in this respect that is at least equal to the average of the allocations received over the last three financial years. In the Île-de-France region, this guarantee for small municipalities is supplemented by a specific guarantee of a levy on this allocation to the benefit of the Île-de-France region and Île-de-France Mobilités, to the amount of €206m. This guaranteed amount has been frozen since 2018. As such, the City of Paris has suffered a levy of €114m on revenue from police fines. If revenue from police fines is not sufficient to cover this levy to the benefit of the region and Île-de-France mobilités, the balance is levied from the City's tax revenue.

This increase is caused by a combination of the reduction in the income distributable to Paris (drop in the total number of police fines in France) and of the stability of the levy on income from police fines to the benefit of the Île-de-France region and Île-de-France-Mobilités.

The levy for **health recentralisation** was also renewed in 2020, to the amount of €1.8m; given that the financing of free sexually transmitted disease information, testing and screening centres - which used to be provided by the départements - is provided by the national health insurance fund since 2015, a levy is applied on the City's revenue to compensate for a mission that it no longer performs.

EVOLUTION OF LEVIES UNDER THE SPECIAL ACCOUNT FOR FINES AND HEALTH RECENTRALISATION (2019 AA - 2020 AA)



Lastly, **direct and indirect tax refunds** stand at €8.8m on the 2020 AA, showing a sharp increase compared to the 2019 AA (+ €5.4m). This increase is caused by the increase in DMTO relief granted further to disputes, at the expense of the City, between 2019 and 2020, jumping from €2.5m to €7m. This increase is not a trend: the amount of DMTO refunds may vary from one year to another, either upwards or downwards, depending on disputes and their outcome. Added to this is tax relief for housing tax on secondary residences wrongly increased by tax departments in 2018 and 2019 but recorded in 2020 due to the prescription period for contesting tax. When taxpayers make a claim and gain a favourable outcome, tax relief is borne by the City. The cost of these tax refunds has risen considerably: increasing from €0.9m in 2019 to €1.5m in 2020. More errors in tax liability for some premises, which were wrongly increased as secondary residences (such as garages) in 2018 and 2019 explain this increase. Lastly, street sweeping tax refunds are included on the 2020 AA to the amount of €0.3m.

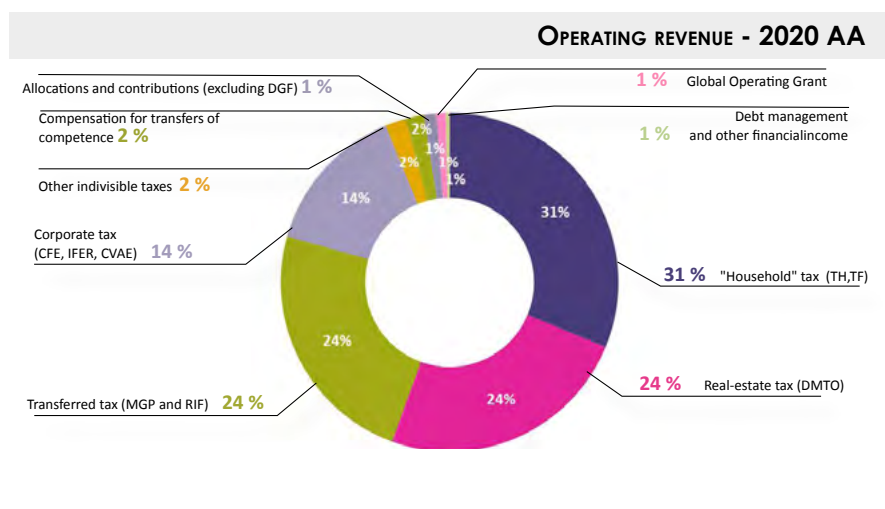
► **The amount of financial expenses has increased by €1.5m, for a total of €141.5m.**

Appropriations dedicated to banking and bond debt total €140.5m, a €1.5m increase caused by the increase in debt stock.

Interest from the school energy performance partnership agreement amounts to €1m (- €0.1m compared to 2019).

1.2 Revenue

Indivisible operating revenue stands at €6,095.3m in 2020, a €133.7m decrease compared to the 2019 AA.



► Direct tax revenue has grown by 2% between the 2019 AA and the 2020 AA, at a constant tax rate, to reach €2,785m in 2020.

This increase is mostly due to the annual revaluation of the tax bases of taxes based on property rental values (housing tax, land tax and company real estate contributions)²⁰. The dynamism of these tax bases is due to a combination of "physical" dynamism from the construction, extension and physical changes to premises and of fixed annual revaluations (also referred to as nominal revaluations) :

- of 0,9 % for living premises occupied as primary residences for housing tax liability;
- of 1,2% for living premises occupied as secondary residences for housing tax liability and for all living premises, regardless of their occupancy, for land tax liability;
- of 0,76% for professional premises (based on the Paris tariff list communicated by tax departments).

Housing tax revenue has increased from €830.3m to €831.6m between the 2019 AA and the 2020 AA (+0.2%) as a result of the fixed revaluation of tax bases for housing.

Land tax revenue has increased by 1.8% and stands at €1,064.2m on the 2020 AA, compared with €1,049.1m on the 2019 AA. This growth is primarily due to the fixed revaluation of the bases for housing premises and professional premises, which has generated €11.1m in additional land tax revenue, and to physical development (+ €4m in revenue compared to the 2019 AA).

Business property tax (CFE) revenue has grown by 3.1%, jumping from €326.1m on the 2019 AA to €336.3m on the 2020 AA. This increase is primarily the result of the fixed increase of +0.76% applicable to vocational premises, as well as the dynamism of the tax bases for premises liable to minimum CFE contributions (the number of companies taxed according to minimum CFE contributions has increased by 33,230 between 2019 and 2020).

Income from CVAE on the 2020 AA stands at €532.9m, representing a 5.9% increase compared to the 2019 AA. CVAE income received by the city in 2020 matches the payments collected by the State in 2019; these payments are based on the added value produced by companies in 2018, prior to the health crisis. In Paris, the growth in CVAE is closely linked to the dynamisms of the sector comprising financial, real estate and insurance activities. This sector accounts for €225m in CVAE in 2020, or 42% of the total, representing a 5.3% increase compared to 2019.

Additional tax functions (€17m) are comprised of adjustments performed by tax departments on local taxes, for previous financial years. The €6.7m drop observed in 2020 is the consequence of lesser activity in tax departments due to the health crisis and should be compensated for the following year.

²⁰ In addition to the end of exonérations causing some premises to once again be liable to tax.

Amount of local direct tax revenue not allocated to the 2019 AA and 2020 AA

(IN MILLIONS OF EUROS)	2019 AA	2020 AA	GROWTH
Housing tax (HT)	830,3	831,6	0,2%
Land tax (Land tax on built properties in the city and département, Land tax on non-built properties)	1 049,1	1 064,2	1,4%
Business property tax (CFE)	326,1	336,3	3,1%
Flat-rate tax on network businesses (IFER)	3,0	3,0	-2,3% ⁽⁴⁾
Corporate value-added contribution (CVAE)	503,3	532,9	5,9%
Additional functions	23,7	17,0	-28,5%

The rates applied by the Parisian authority have remained stable and are well below the national average and that of major French cities, as shown in the table below. In accordance with the Finance Act for 2020, the HT rate for secondary residences has been frozen to remain at its 2019 level (13.38%) until 2023, when the cancellation of housing tax on primary residences will fully enter into force.

Comparison between the rates of three other major cities and Parisian and national rates.

RATE 2020*	BORDEAUX	LYON	MARSEILLE	PARIS	AVERAGE NATIONAL RATE**
Housing tax (HT)	32,35%	29,76%	40,25%	13,38%	24,56%
Land tax on built properties (LTBP))	46,38%	29,81%	41,66%	13,50%	51,96%
- of which municipality	28,92%	18,23%	24,02%	8,37%	21,59%
- of which grouping	0,0%	11,58%	2,59%	0,0%	12,92%
- of which département	17,46%	0,0%***	15,05%	5,13%	17,45%
Land tax on unbuilt properties (LTNBP) - municipality and grouping	93,24%	21,88%	27,77%	16,67%	49,72%
Business property tax (CFE) - municipality and grouping	35,06%	28,62%	31,02%	16,52%	26,45%
Household waste removal tax (HWRT)**	9,31%	5,35%	18,10%	6,21%	9,02%

* Extract from the "Cabinet FSL" tax collection on the taxation of major local authorities in 2020 for Bordeaux, Lyon and Marseille rates

** Éléments de référence nationaux de fiscalité directe locale 2019 pour 2020* ("2019 and 2020 national references for local direct tax"), note drafted by the General Directorate of Public Finances (DGFiP) (https://www.collectivites-locales.gouv.fr/files/files/finances_locales/fiscalite_locale/fdl_2020_016_ern_2019_pour_2020_fiche_externe_v2.pdf) and "Les collectivités locales en chiffres 2020" ("Local authorities in 2020 figures"), publication by the General Directorate of Local Authorities (DGCL) (<https://www.collectivites-locales.gouv.fr/collectivites-locales-chiffres-2020>).

*** The département's portion was transferred to the Métropole du Grand Lyon in 2015. As a result, the former rate was merged.

► Indirect tax revenue stands at €1,599.7m on the 2020 AA (-9.2% in one year)

Indirect tax is primarily comprised of real estate tax. **Real estate tax revenue** (tax on the transfer of property against payment and additional tax on registration fees) stands at €1,480m on the 2020 AA compared to €1,586.8m on the 2019 AA, i.e., a €106.7m decline (- 6.7%), in contrast with the strong dynamism of the Parisian real estate market over the last few years. This decline is the result of a lower number of transactions in 2020 (-7,261 disposals in 2020 compared to 2019, or -15%), caused by the health context.

⁽⁴⁾ Le produit des impositions forfaitaires sur les entreprises de réseaux (IFER) diminue de 2,3% du CA 2019 au CA 2020 passant de 3,04 M€ à 2,97 M€, arrondis à 3 M€ en 2019 comme en 2020.

EVOLUTION OF REAL ESTATE TAX REVENUE (2005 - 2020)



Revenue from **other indirect taxes and charge** stand at €119.7m on the 2020 AA, compared with €175.95m on the 2019 AA. This gap is caused by :

- a drop in **tourist tax revenue** as a result of the shutdown of tourist activity: - €51.4m between the 2019 AA and the 2020 AA. Income from tourist tax (€43.7m excluding the regional portion paid to the SGP) only partially covers expenditure to increase tourist numbers, estimated at €99m on the 2020 AA;
- a €3.3m reduction in **income from tax on final electricity consumption** between the 2019 AA and the 2020 AA. This lesser revenue is the result of a slowdown in economic activity in 2020, causing less electricity consumption among taxpayers liable to this tax;
- a €1.5m drop in **revenue from tax on gaming circles** caused by the lesser activity of these circles.

► Allocations and compensations paid by the State represent €102.4m on the 2020 AA, a €19.8m decline compared to 2019

In keeping with the 2019 financial year, the scissors effect caused by a drop in State allocations and an increase in equalisation payments continues to worsen in 2020.

The evolution of the **global operating grant** (municipal portion), the State's main allocation to the authorities, explains this drop as its amount has reduced by €19.9m, from €73.3 to €53.4m, as a result of the equalised cap enabling to finance an increase in the global operating grants of other municipalities.

However, in 2020, the amount of the **general decentralisation allocation** (DGD) has remained the same as in 2019, standing at €15.8m. It has not been capped.

The **secure identity document compensation allocation** is also stable (€1.3m). Since 2011, the amount of this allocation is frozen at €5,030 per biometric station, enabling the issuance of passports. Failing the indexation of this allocation based on the evolution of the cost of these stations and their maintenance, in practice, this stability demonstrates a drop in compensation.

Furthermore, the **special schoolmaster allocation** has dropped by 11.4% and stands at €0.1m. This allocation paid by the State compensates for the municipalities' obligation to accommodate schoolmasters. However, as the body of schoolmasters has progressively merged with the body of schoolteachers who do not benefit from staff housing since 1990, this has resulted in a mechanical drop in this allocation.

Compensation for indirect local taxation has slightly risen by 2.7%, representing €10.6 in 2020. This evolution is caused by a slight rise (+ €0.3m) in compensation for additional tax on registration fees (TADE), a counterpart to the loss of TADE revenue as a result of the TADE exemption on the disposal of business assets (Finance Act of 1993). The performance tax compensation, a counterpart to the cancellation of a fraction of the tax owed for certain performances by event halls (Finance Act for 2014), stands at €9.2m and is constant compared to 2019.

Lastly, the amount of the **VAT compensation fund (FCTVA)** expected for public road and building maintenance expenditure totals €10.8m on the 2020 AA.

EVOLUTION OF ALLOCATIONS AND COMPENSATION PAID BY THE STATE



► Compensation for social assistance transfers of competence by the State

As part of the compensation for transfers of competence provided for in the Act on local responsibilities (LRL) of 13 August 2004, the State has transferred a fraction of revenue from domestic tax on consumption of energy products (TICPE) to the départements, along with a fraction of the tax on insurance policies (TSCA).

TICPE revenue allocated to financing social competences has remained stable (€246.6m allocated to the “social action” function), while the portion of **TICPE transferred as part of the compensation provided for by the LRL act** (€14.1m) has dropped by €1.6m (-10% compared to 2019). However, this decrease is entirely compensated for by the transfer of TSCA income (€78.5m, +€4.5m).

Furthermore, the “compensation” portion of the **equalised compensation scheme** (DCP) stands at €10.3m (a €0.1m decrease). It should be noted that this allocation is paid as part of the département’s excess in terms of individual solidarity allowances (AIS), calculated in 2016 and remains ringfenced. This mechanism has caused a scissors effect on AIS, with a drop in revenue allocated to their financing and an increase in this expense.

In sum, the State’s compensation for the social burdens it has transferred to the départements is actually far below the cost borne by said départements (see section III - function 4).

Slight increase in compensation paid by the State for local tax exemptions

The State partly compensates for tax revenue lost as a result of tax relief applicable as of right and mandatorily, to the amount of €39.4m on the 2020 AA (+ €3.4m) :

- **Compensation for direct local tax** has increased slightly between 2019 and 2020 (+ €2.4m), prior to the implementation of the housing tax reform, following the increase in tax bases for housing tax (+€1.8m) and land tax (+€0.6m);
- **Compensation received for economic tax**, notably for the exemptions applicable to the smallest companies, has increased by €1m

► Compensation allocations paid by the Métropole du Grand Paris and the Île-de-France region to the City of Paris are stable at €1,453.8m.

Compensation allocations paid to the City of Paris by the Métropole du Grand Paris (€978.5m) and the Île-de-France region (€475.3m) match the difference between tax income transferred by Paris to these authorities and the amount of expenses transferred as part of a transfer of competence.

Failing new transfers of competence towards these authorities, compensation allocations have not changed.

► Financial income totals €22.4m, down by €6.6m compared to the 2019 AA

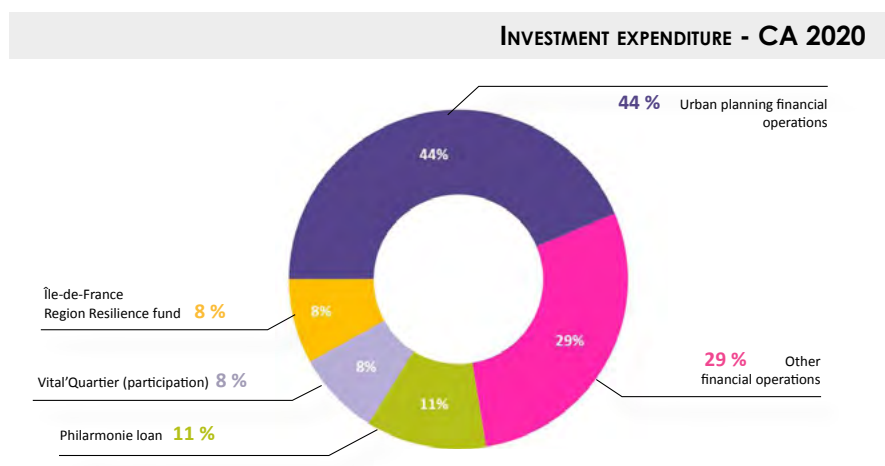
Revenue from debt management (rate hedging instruments) represents €14.2m (+ €0.9m).

Income from dividends paid by companies in which the City holds shares totals €8m (- €7.5m), of which €5m is paid by RIVP (- €1.5m), €1.3m by SEMPARISEINE (- €0.3m) and €0.9m by CPCU (- €3.2m).

Lastly, the city received €0.2m as part of the indexation of advance payments granted to social landlords, in addition to the repayment annuities accounted for under the investment section.

2. INVESTMENT SECTION

2.1. Expenditure



The amount of indivisible investment expenditure stands at €86.9m, down by €34.6m compared with 2019

€37.9m financed, in particular, the city's various contributions towards urban projects.

€25m was paid for various financial transactions, including €12.6m for the Paul Meurice-Lilas project led by the DPE.

€10m was used as part of the city's participation towards reimbursing the loan taken out by Philharmonie.

€7m was dedicated to the City's participation towards the Vital' Quartier scheme and another €7m in refundable advance payments was paid as part of the Resilience Fund created by the Région Île-de-France and co-financed by the City.

2.2 Revenue

Indivisible investment revenue totals €146.3m, a €58.5m decrease compared to 2019.

This amount primarily comprises the allocation paid by the state into the VAT compensation fund (€105.2m).

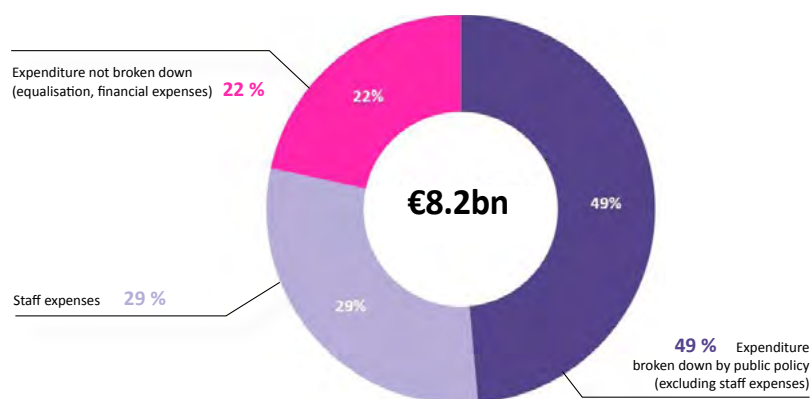
€6.2m is recorded for the municipal share of planning tax. In practice, under the investment section, planning tax is recorded under the 'general services' function because, from a regulatory point of view, it constitutes an unassigned revenue. In this case, budget and accounting nomenclature M57, which is applicable to metropolises, states it must be charged to this function. On the contrary, the portion collected under the operating section constitutes an assigned revenue and must therefore be charged to the 'territorial and housing development' function.

III/ PRESENTATION ACCORDING TO PUBLIC POLICY

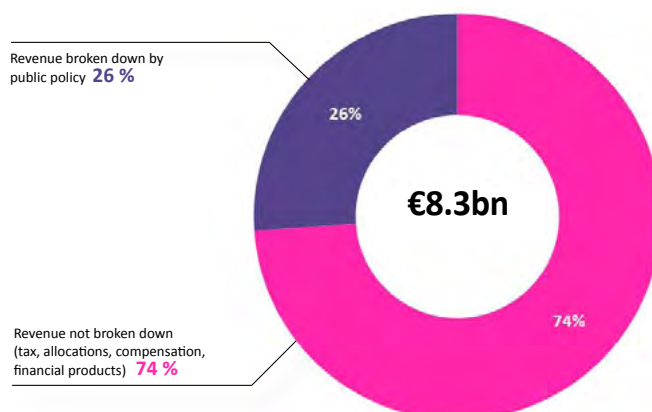
The budgets set out below are expressed in payment appropriations, excluding :

- order appropriations dedicated to accounting entries balanced in revenue and expenditure, described under section IV,
- actual appropriations relating to transactions that cannot be divided according to public policy (taxation, allocations, equalisation, financial transactions), described under section II of this report.

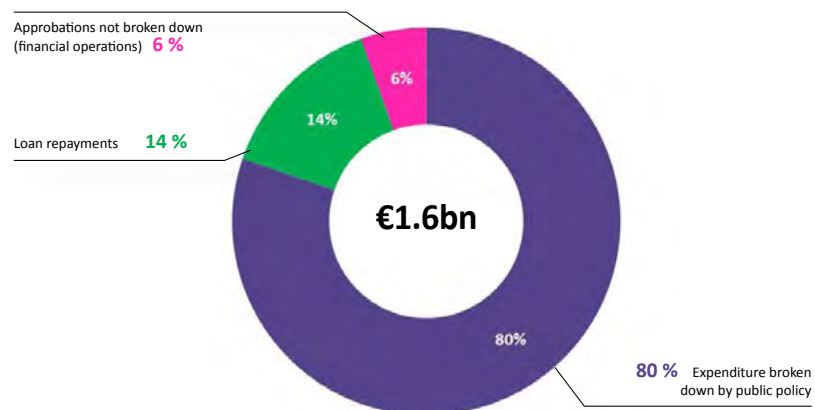
OPERATING EXPENDITURE - 2020



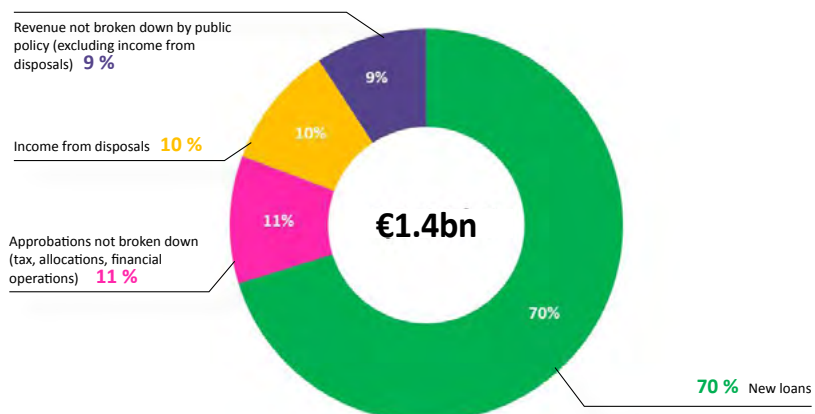
OPERATING REVENUE - 2020 AA



INVESTMENT EXPENDITURE - 2020 AA



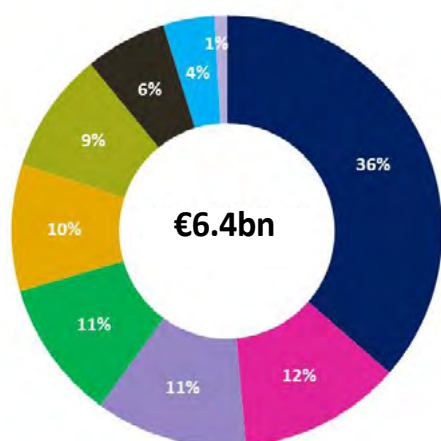
INVESTMENT REVENUE - 2020 AA



DISTRIBUTION OF APPROPRIATIONS BROKEN DOWN ACCORDING TO PUBLIC POLICY IN THE 2020 FINANCIAL REPORT :

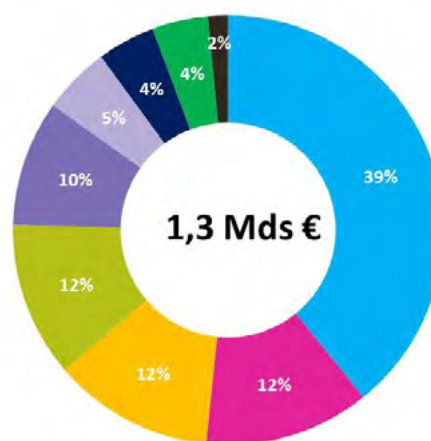
Since the 2019 financial year, the City of Paris' initial budget is divided into 9 functions allowing to directly identify the resources allocated to the various public policies.

OPERATING EXPENDITURE BY PUBLIC POLICY (EXCLUDING APPROPRIATIONS NOT BROKEN DOWN) - 2020 AA



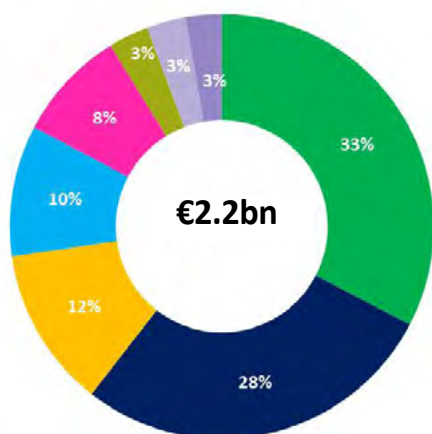
Health, social action, APA, RSA
Education, vocational training and learning
General services and European fund management
Environment

INVESTMENT EXPENDITURE BY PUBLIC POLICY (EXCLUDING APPROPRIATIONS NOT BROKEN DOWN) - 2020 AA



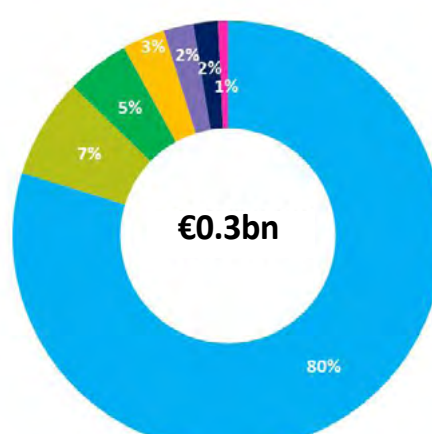
Transport
Culture, social life, youth, sports and leisure
Safety
Territorial and housing development
Economic Action

OPERATING REVENUE BY PUBLIC POLICY (EXCLUDING APPROPRIATIONS NOT BROKEN DOWN) - 2020 AA



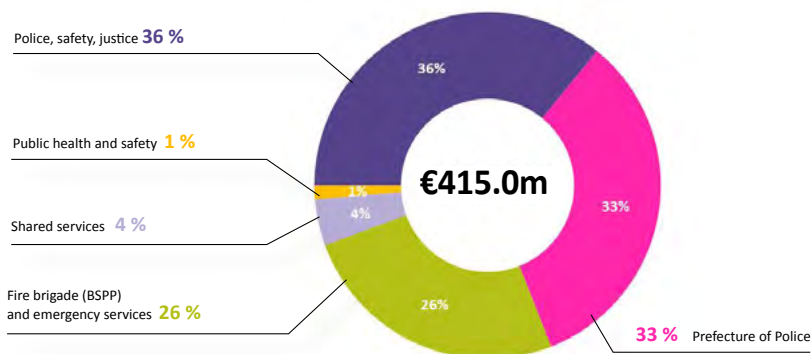
Environment
Health, social action, APA, RSA
Transport
Territorial and housing development

INVESTMENT REVENUE BY PUBLIC POLICY (EXCLUDING APPROPRIATIONS NOT BROKEN DOWN) - 2020 AA



General services and European fund management
Culture, social life, youth, sports and leisure
Economic Action
Education, vocational training and learning

CONSOLIDATED SAFETY BUDGET - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	389,3	395,8
of which wage bill	151,6	156,0
Investment expenditure	15,5	19,2
Operating revenue	1,7	1,4
Investment revenue	1,3	0,2

OPERATING SECTION

Expenditure

FOR THE 2020 FINANCIAL YEAR, THE OPERATING BUDGET DEDICATED TO SAFETY, INCLUDING THE WAGE BILL, STANDS AT €395.8M, A €6.5M INCREASE COMPARED TO 2019.

Eleven items were created under the safety function in the 2020 initial budget, notably to step up the fight against substandard housing led by the Directorate for housing and habitat (DLH) and the fight against occupational disturbances led by the Directorate for prevention, safety and protection (DPSP).

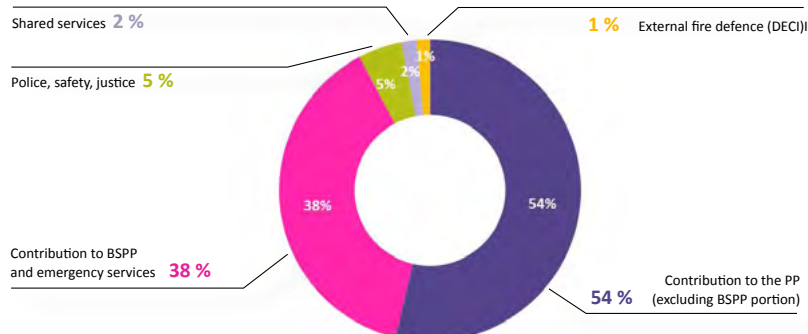
Moreover, 10 Chief Public Peace Officer jobs - category A safety public servants - were created in February 2020 at the DPSP.

It should also be noted that the actual workforce (public servants actually employed) has increased by 60 full time equivalents between 2019 and 2020.

In total, in 2020, the balance of budget movements stands at +13 budget jobs under this function, including other movements (redeployments, transformations, transfers).

Operating expenditure dedicated to safety stands at €239.8m not including the wage bill, a €2m increase compared to the 2019 AA (€237.8m).

OPERATING EXPENDITURE (EXCLUDING WAGE BILL) - 2020 AA



As the City's main item of expenditure in terms of safety, the contribution paid to the Prefecture of Police totalled €221.1m in 2020, a €2.6m increase (+ 1.2%) compared to the 2019 AA.

Within this contribution, the portion dedicated to financing the Paris Fire Brigade (BSPP) has increased by €2.6m and stands at €92.5m. This evolution is the result of the continuation of the plan to modernise the BSPP, which aims, in particular, to improve firefighters' working conditions and maintain their commitment to the Parisian territory. The main measures set out by this plan include the revaluation of indemnities, the stepping up of maintenance works and regulatory maintenance, a digital transformation plan, increased recourse to reserve firefighters and the leasing of housing.

The portion paid to the Prefecture of Police for Parisian administration is, for its part, the same as the contribution paid in 2019, i.e. €128.6m.

Save for the contribution paid to the Prefecture of Police, safety expenditure totals €18.7m, a €0.6m decrease compared to the 2019 AA.

Expenditure dedicated to the protection and surveillance of public areas stands at €11.3m, or a €2.3m decrease compared to 2019.

Public building and public area safety expenditure has decreased by €2.2m and stands at €9.9m. This decrease is mostly due to the transfer of safety expenditure from Fire Safety and Assistance to Persons services (SSIAP) to appropriations relating to fire and emergency services, to the amount of €1.6m, and for the remainder, to savings made during the lockdown due to the cancellation of certain events (e.g., Foire du Trône; Paris Respire) and the closure of certain establishments.

Among these safety expenses, the grant paid to the Parisian inter-landlord surveillance group (GPIS) is stable at €0.8m.

Grants dedicated to victim assistance and radicalisation prevention stand at €1.3m, €0.1m less than on the 2019 AA.

Expenditure dedicated to missions relating to fires and emergency services totalled €95.9m, a €4.2m increase compared to the 2019 AA.

In addition to the €92.5m dedicated to financing the Paris Fire Brigade (BSPP), €1.7m was paid to the independent water authority, Eau de Paris, in charge of managing firefighting water sources for the external fire defence mechanism (DECI), as in 2019, and €1.6m was spent in SSIAP appropriations which, last year, were considered as public building and public area safety expenditure.

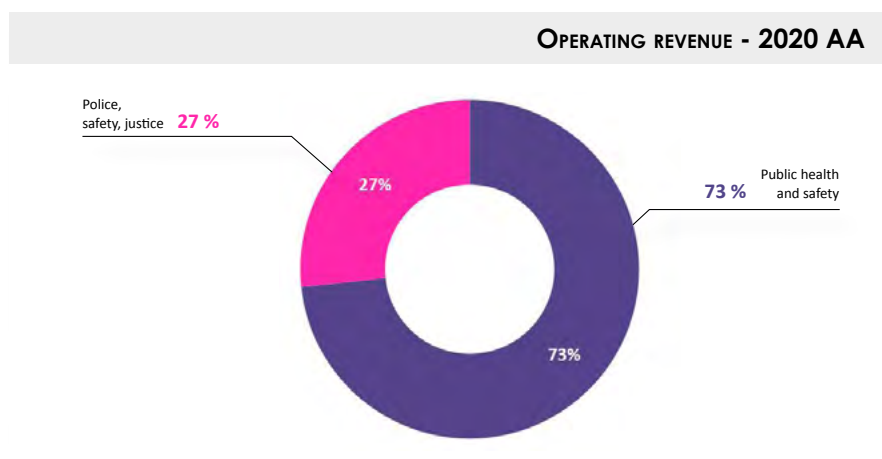
Operating expenditure for shared services totalled €3.9m in 2020, a €0.6m increase compared to the 2019 AA, primarily caused by an increase in TAM services (+ €1.2m) and in premises cleaning services (+€0.1m) as a result of the COVID crisis. These increases are partly compensated for by savings made mostly on public buildings, maintenance (notably through works to secure certain sites), catalogues and printables, as well as the provision of small equipment.

Lastly, expenditure on regulatory hygiene inspections has dropped by €0.4m in 2020, standing at €0.2m.

In general, operating expenditure dedicated to the health crisis in 2020 represents €0.2m of the safety function.

Revenue

OPERATING REVENUE RELATING TO SECURITY TOTALS €1.4M ON THE 2020 AA, DOWN BY €0.3M COMPARED TO THE 2019 AA.



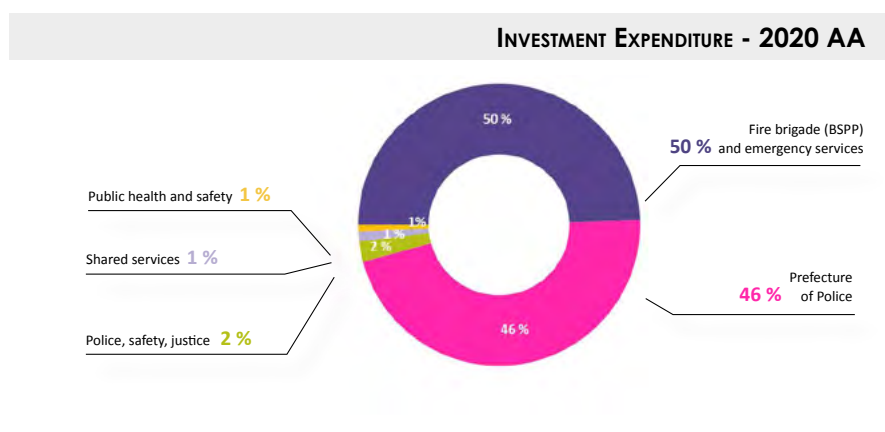
Revenue from the prevention of delinquency and victim assistance has dropped by €0.2m, mostly caused by the exceptional titration of the balance of grants for the prevention of delinquency in 2019 in order to implement the plan to secure Parisian primary and secondary schools.

Revenue from regulatory health inspections has experienced a slight €0.1m decline and totals €1.0m. This revenue is mainly comprised of the grant paid by the Regional Health Agency as part of the agreement on housing hygiene inspections in Paris.

INVESTMENT SECTION

Expenditure

INVESTMENT EXPENDITURE UNDER THE "SAFETY" FUNCTION TOTALS €19.2M, DEMONSTRATING A €3.7M INCREASE COMPARED TO 2019.



€9.5m was spent on **fire defence and emergency services** (BSPP and emergency services), up by €3m compared to 2019 :

- €7.4m was paid to the Prefecture of Police to finance works in the **Paris Fire Brigade's (BSPP)**, station, representing a €2.7m increase compared to 2019. This increase is notably the result of the stepping up of works at the end of the term in several BSPP fire stations (Bourg-la-Reine, Neuilly-sur-Marne);
- €2.1m was spent on **external fire defence (DECI)**.

€8.9 was paid to the Prefecture of Police for **operations to protect property and persons**, a €1.1m increase compared to 2019. In particular, this increase is the result of catch-up work on Parisian heritage by the Prefecture of Police, including the works on the Ile de la Cité.

€0.4m was used for expenditure on **safety works**, emost of which for the programme to improve safety at the Town Hall.

€0.2m was spent on **shared services** and notably furniture acquisitions and maintenance work on premises.

Hygiene and public health expenditure totalled €0.2m in 2020 and related to systematic works on buildings at risk.

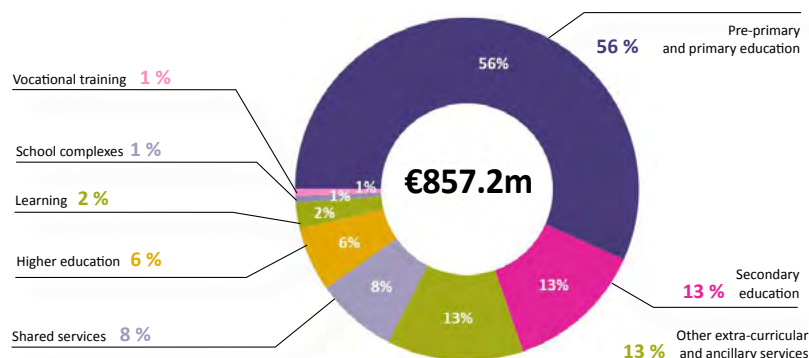
Revenue

INVESTMENT REVENUE TOTALS €0.2M, €1.1M LESS THAN IN 2019.

This revenue is from reimbursements paid by third parties further to systematic works carried out by the City. This decrease is caused by the health crisis which temporarily suspended visits by hygiene and health inspectors (diagnostics) and therefore delayed works.

2/ EDUCATION AND TRAINING

CONSOLIDATED BUDGET FOR EDUCATION, VOCATIONAL TRAINING AND LEARNING - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	728,4	735,9
of which wage bill	492,2	498,8
Investment expenditure	140,5	121,3
Operating revenue	45,0	58,9
Investment revenue	15,7	6,1

OPERATING SECTION

Expenditure

FOR THE 2020, THE OPERATING BUDGET FOR EDUCATION AND TRAINING TOTALLED €735.9M, €498.8M OF WHICH WAS DEDICATED TO THE WAGE BILL.

Twelve jobs were created at the DASCO by the 2020 initial budget as a result of extensions and the opening of facilities in Parisian primary and secondary schools. One job was created to steer the project to transform the maternity clinic into a “super facility” (nursery, school, gymnasium and activity centre) in Saint Vincent de Paul (14th arrondissement) and 4 reinforcement jobs were created to assist support services, notably to help prevent occupational hazards and in the districts of school affairs and early childhood. In addition, 1 job was created within the Directorate for attractiveness and employment (DAE) to improve management of maintenance staff at École Boule.

To tackle the health crisis, 150 additional jobs were created at the DASCO in the 2020 supplementary budget, for a period of six months, in order to implement the various health protocols required by the pandemic and enable the reopening and running of schools. A further 10 jobs were created to support the districts of school affairs.

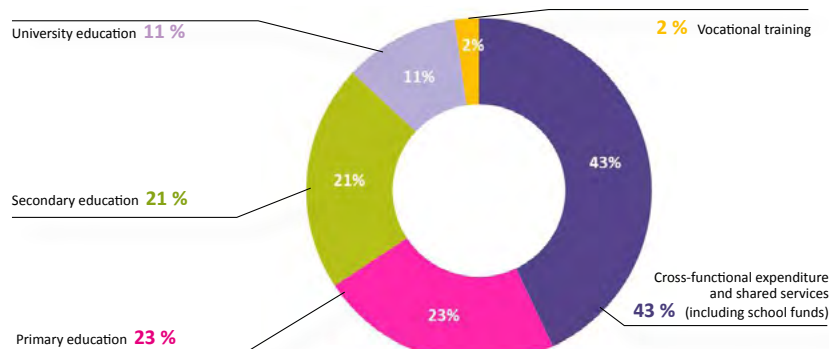
In order to curb precarious employment, 3 jobs were created, and 399 technical school staff were permanently appointed. Moreover, 11 category changes were also made to enable public servants acting as heads of educational action within each district to be able to access category A.

Given the drop in school demographics, 95 jobs were redeployed under the education function.

In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at - 121 budget jobs under this function.

Not including the wage bill, **operating expenditure relating to education, vocational training and learning stand at €237.1m, a €0.8m increase compared to the 2019 AA.**

OPERATING EXPENDITURE (EXCLUDING WAGE BILL) - 2020 AA



Operating expenditure under this function is comprised of all expenditure directly intended for primary, secondary and higher education establishments and measures (€129.9m), cross-functional expenditure (ancillary services and shared services, to the amount of €101.8m) and spending on vocational training and learning (€5.4m).

Within this first group (€129.9m), primary education spending totals €54m on the 2020 AA.

This amount is comprised of €15.6m dedicated to schools' current operating expenditure: €2.6m for **nursery schools**, €4.4m for **primary schools** and €8.6m for **comprehensive schools**. For nursery schools, the 2020 AA is up by €1m compared to the 2019 AA, and by €1.1m for primary schools. This evolution in expenditure is caused by the concentration of appropriations dedicated to financing the plan to beautify school establishments on nursery and primary schools, for a €1m decrease in expenditure on building maintenance in 2020, as a result of the completion of the beatification plan mid-year. Comprehensive school expenditure has increased by €2.8m as a result of the centralisation of cleaning appropriations (+ €5.3m). The DASCO contracted external service providers to perform these cleaning and disinfection services, in addition to direct cleaning officers (wage bill). This expenditure was centralised on combined classes but concerns all primary schools (nursery, elementary and comprehensive).

This group is also comprised of **cross-functional primary education expenditure**, to the amount of €38.4m, i.e., €5.6 less than on the 2019 AA, as a result of the Ministry of National Education's contribution for class discharges having not been paid for 2020. Indeed, negotiations on the agreement between the City and the State on class discharges for Parisian heads of school were not completed in time to be accounted for in 2020.

Thus, on the 2020 AA, **cross-functional primary education expenditure** includes :

- Expenditure to support first-stage private education (€36.1), a €6.1m increase due to the lowering of the age for compulsory education to 3 years, according to the provisions of the Act of 28 July 2019 for Schools that build confidence. This lowering resulted in the creation of a private nursery package, which in turn increased the contribution paid by the City of Paris.
- Energy performance partnership agreements (€1.5m), down by €0.1m compared with 2019;
- The envelope allocated to the 'Together, further mobilised for priority primary and secondary schools' scheme, representing €0.8m.

Expenditure on secondary education totals €50.3m, a €0.1m increase.

Among these expenses, **€42.3m** was spent on secondary schools, of which €18m for public secondary schools not including the wage bill, and €22.5m for private secondary schools.

Public secondary school expenditure has increased by €1m compared to the 2019 AA. Most of this increase is due to cleaning and disinfection expenditure required by the health crisis. The operating allocation to private secondary schools has grown by €0.2m to take account of the increase in numbers.

€1.8m was spent on **secondary school educational actions**, which include the "middle school pupils action" scheme and grants tied to secondary school educational action. This item has dropped by **€0.8m** compared with the 2019 AA, further to activity restrictions in 2020.

€5.3m was spent on **high schools'** current operating expenditure, including €4.4m in grants to the personalised authority of the École Du Breuil. Municipal high school expenditure (€0.9m) has dropped by €0.3m due to their upcoming transfer to the region.

€2.7m was spent on the current operating expenditure of **school complexes** (interrelated wholes of secondary schools and high schools), corresponding to the reimbursement of fluid, maintenance and remuneration expenses to the Île-de-France region as project owner.

Lastly, higher education expenditure accounts for €25.6m on the 2020 AA, a €3.5m increase compared with the 2019 AA. Of this amount, €13.2m was paid to the École Supérieure de Physique et de Chimie Industrielle (ESPCI), €4.6m to the École des Ingénieurs de la Ville de Paris (EIVP) and €2.1m to art schools. Support to student life assistance structures accounted for €5.4m, up by €3.5m as a result of the charging of AERE (student start-of-year exceptional aid) appropriations to the operating section. €0.2m was allocated to the École professionnelle supérieure d'arts graphiques (EPSAA). Lastly, €0.04m was spent on initiatives to support students with a disability, and €0.02m was spent on maintaining university heritage.

Cross-functional expenditure on education totalled €101.8m, a €2.2m decline.

Expenditure relating to **school funds and school catering** is the main item of expenditure making up this amount, standing at €85.5m. Grants to school funds (€82.3m) have increased by €3.6m compared to the 2019 AA. This increase is the result of exceptional COVID-related grants and of the normal evolution of initial grants, mostly caused by the increase in staff and food spending. Appropriations for **autonomous secondary school and mixed complex restaurant expenditure** (with secondary schools providing school restaurant services themselves) stand at €2.7m on the 2020 AA. €0.5m was spent on the provision of cold meals to school establishments within the city open to key workers' children during the first lockdown.

Furthermore, **ancillary education services** account for €11.6m on the 2020 AA, a €2m drop compared to the 2019 AA. Expenditure on extra-curricular activity periods (€10.8m) has dropped by €1.1m and school transport expenditure (€0.4m) has dropped by €1m further to activity restrictions in 2020. Spending to support educational activities (€0.4m) has increased by €0.1m compared with 2019.

Due to COVID, spending on **discovery classes** has decreased by €4m on the 2020 AA and stands at €3.5m.

Lastly, **shared** education and vocational training services account for €1.2m.

Vocational training and learning expenditure stands at €5.4m on the 2020 AA, compared with €4.8m in 2019.

Within this budget, **learning** represents €4.7m, an amount up by €0.6m compared with 2019 due to the City's efforts to recruit apprentices (553 in 2020) and due to the cost of training an apprentice having increased further to the implementation, as of 2020, of the learning financing reform.

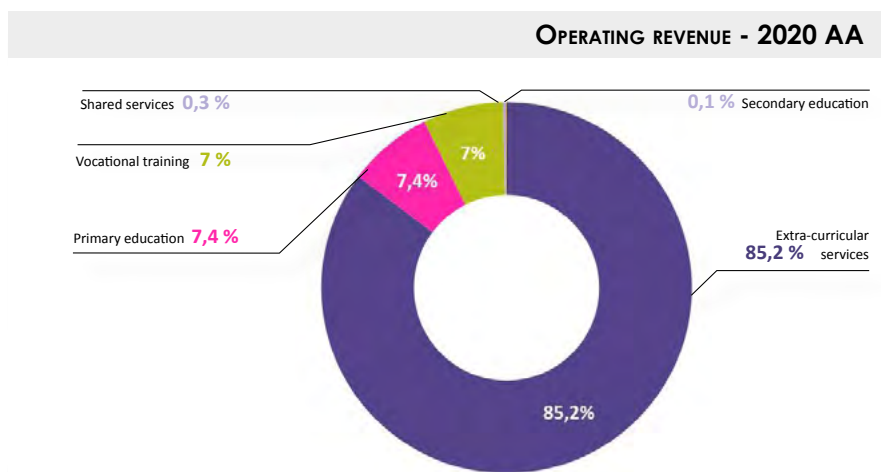
Spending on the training of employees under **government-subsidised contracts** totals €0.1m, €0.05m less than in 2019 due to the State's decision to reduce the number of employees under government-subsidised contracts and which also impacts the operating revenue collected in this respect.

Vocational training provided during municipal classes for adults (CMA) accounts for €0.6m, an amount similar to 2019.

In total, operating expenditure dedicated to the health crisis in 2020 accounts for €10.3m under the Education, vocational training and learning function.

Revenue

OPERATING REVENUE RELATING TO EDUCATION, VOCATIONAL TRAINING AND LEARNING STANDS AT €58.9M ON THE 2020 AA, A €13.9M INCREASE COMPARED TO THE 2019 AA.



Within this amount, **primary education** enrolments are stable at €4.4m compared to the 2019 AA.

Revenue linked to **secondary education** stands at €0.04m.

Other revenue relating to **ancillary education services** totals €50.2m, a €17.7m increase. The **CAF's participations** were newly distributed during the 2019 financial year between the "Education, vocational training and learning" function and the "Culture, social life, youth, sports and leisure" function. As a result, an additional €20.1m in CAF revenue was collected in 2020, through a transfer from the "Culture" function, to reach a total of €37.1m. Other revenue relating to ancillary education services amounts to €13.1m. €9.9m of this amount comes from **extra-curricular activity periods** through State contributions (€6.1m), which remain stable, and family participations have dropped by €1.6m (€3.8m) due to activity restrictions. €2.8m in revenue was collected from family participations towards **secondary school restaurants** and revenue from **discovery classes** amounts to €0.4m.

The State's contributions towards **learning** total €1.1m on the 2020 AA, revealing a €2.5m decline compared to the 2019 AA. This decline is caused by the reduction in government-subsidised contracts.

Revenue collected from **vocational training**, which corresponds to enrolment fees for continuous training provided in municipal classes for adults, totals €3m, €1.1m less than on the 2019 AA further to cancellations as a result of the health crisis.

Revenue from **higher education** accounts for €0.02m.

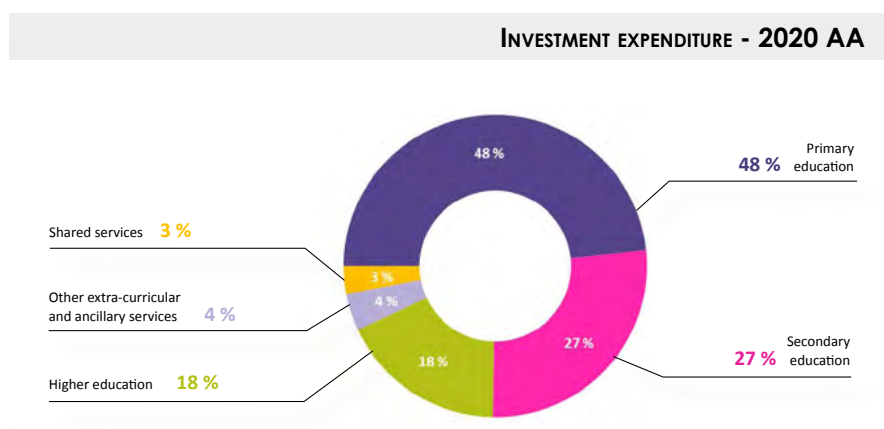
Lastly, revenue from **shared services** accounts for €0.1m.

INVESTMENT SECTION

Expenditure

IN 2020, INVESTMENT EXPENDITURE ON EDUCATION, VOCATIONAL TRAINING AND LEARNING TOTALS €121.3M, A €19.2M DECREASE COMPARED TO 2019.

This decrease is mainly the result of the progress and completion of works in early years and primary establishments.



Early years and primary education is the leading item of expenditure, at €58.6m (or a €20.4m drop compared to 2019).

Spending on new schools and renovation operations stands at **€14.3m** against €17.8m on the 2019 AA. This drop is caused by the completion of a certain number of construction and renovation operations, such as the comprehensive school in the Chapelle international district in the 18th arrondissement (€1m liquidated in 2020 compared with €5m in 2019). The overall decline is also a result of the completion of works on the Constantinople school in the 8th arrondissement (a €1.6m drop compared to 2019), carried out and liquidated by Elogie Siemp in 2020 following an advance payment by the City in 2019, and the slowdown of works on the Kuss school group in the 13th arrondissement due to the health crisis (€1m compared with €3.2m in 2019).

It should be noted that, in 2020, two new projects were carried out: €8.2m was spent on implementing Oasis schoolyards (adapting schoolyards to climate change, after a trial period) and €2.9m was used to launch renovations at the Bruneseau Nord school (13th arrondissement).

The maintenance and equipping of schools required **€44.3m**, €17m less than in 2019. Thus, €21.9m (compared with €24.7m in 2019) was dedicated to local interest envelopes and €8.7m to energy renovation works and the Climate Plan in schools. €9.5m was spent on furniture, IT equipment and works for the new school year, €2.2m was spent on safety works and €1.9m was used to improve staff working conditions.

Secondary education required €32.7m, down by €8.3m compared to implementation in 2019.

€28m was used for **middle schools**, €8.6m less than in 2019 (€36.5m).

€10.6m was spent on works within establishments (against €18.5m in 2019), notably in the following middle schools: Maurice Utrillo middle school in the 18th arrondissement (€7.5m), Mallarmé middle school in the 17th arrondissement (€1.2m) and Lucie Faure middle school in the 20th arrondissement (€0.5m). Other investment expenditure in middle schools amounts to €17.4m, including €10m for maintenance and €5m for the subsidisation of autonomous middle schools (compared with €3m in 2019).

€4.1m was spent on **municipal high schools** compared with €3.7m in 2019.

€1.1m was used to maintain municipal high schools and municipal high schools for adults. A further €3m in works (compared with €2.6m in 2019) was spent on high schools, including Théophile Gautier high school in the 4th arrondissement (€1.5m), Lucas de Nehou high school in the 5th arrondissement (€0.6m) or C. Jenatz high school in the 18th arrondissement (€0.5m).

€0.6m was used to maintain and equip **école du Breuil**.

Higher education was allocated €21.6m in 2020, compared with €12.2m in 2019.

In total, **€18.8m** was spent on **colleges and universities**, up by €9.4m compared to the 2019 financial year. This marked increase is caused by the start of works to renovate the École Supérieure de Physique et de Chimie Industrielle (ESPCI) costing €5.9m (as well as €0.3m to rehouse the school in temporary premises during renovations), and to secure la Sorbonne (€2.1m) and the Cordeliers sites (€1.3m). Moreover, €3.2m was spent to continue works on Campus Condorcet. €2.3m in grants were paid to the ESPCI and to the École des Ingénieurs de la Ville de Paris. A further €1.5m was dedicated to creating a coworking area at the Paris Institut d'études politiques (IEP). Lastly, €1m was dedicated to a range of higher education maintenance work, €0.7m to securing the ENSCP and €0.4m to securing Paris Descartes.

Maintenance and support to **art schools** accounts for **€1.4m**, of which €1.2m in capital grants and €0.2m in works. These figures are stable compared to 2019.

€1.4m was also spent on **student life** in the form of a grant paid to the Centre régional des oeuvres universitaires et scolaires (CROUS). This grant has declined by €0.2m compared to 2019 due to the postponement of certain works.

Investment expenditure on extra-curricular services, accommodation and school meals totalled €4.8m compared with €7.1m in 2019.

€4.1m (compared with €5.9m in 2019) financed upgrading and works in school kitchens and €0.7m (compared with €1.2m in 2019) was spent on school childcare. The general decline in expenditure is due to the completion of works in the central kitchen in the 18th arrondissement and in the école Bienfaisance kitchen in the 8th arrondissement.

Lastly, shared education services mobilised €3.6m in 2020, compared with €1.3m in 2019.

Initiatives to prevent unemployability have been carried out for a cost of €2.4m in 2020. The improvement of working conditions required €1.2m.

Revenue

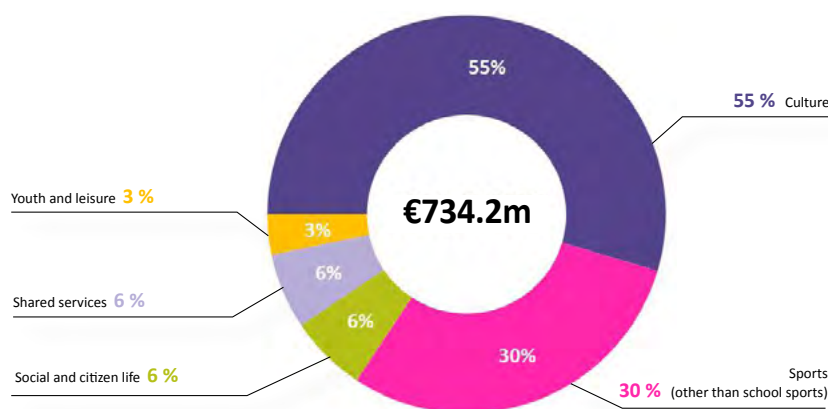
INVESTMENT REVENUE STANDS AT €6.1M IN 2020, COMPARED WITH €15.7M IN 2019. THIS REVENUE IS DIVIDED BETWEEN SECONDARY EDUCATION TO THE AMOUNT OF €5.8M AND PRIMARY EDUCATION TO THE AMOUNT OF €0.3M (€9.9M IN 2019).

The only revenue received in terms of secondary education is the départementale allocation for the equipping of middle schools, which accounted for €5.8m in 2020, the same as in 2019.

In 2020, primary education revenue is comprised mostly of a grant from the Agence de l'Eau Seine Normandie to the amount of €0.3m for works to remove waterproofing in Oasis schoolyards. This revenue is down by €9.6m compared to 2019 as, in 2019, it included a grant received for the acquisition of the Constantinople primary school in the 8th arrondissement (€8.7m) and a down payment from FEDER to start works on Oasis schoolyards (€1.3m); the following down payment is to be paid upon 40% completion.

3/ CULTURE, SOCIAL LIFE, YOUTH, SPORTS AND LEISURE

CONSOLIDATED BUDGET FOR CULTURE, SOCIAL LIFE, YOUTH, SPORTS AND LEISURE - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	568,1	585,1
of which wage bill	305,7	308,7
Investment expenditure	208,6	149,1
Operating revenue	107,6	65,9
Investment revenue	23,5	20,5

PLAN TO SUPPORT CULTURAL STAKEHOLDERS

In May 2020, the Council of Paris adopted a plan to support cultural stakeholders worth €15m, €11.7m of which was implemented under the operating budget by the Directorate of Cultural Affairs (DAC) during the 2020 financial year. Through this plan, the City of Paris intends to provide special support to the cultural sector which has been severely affected by the health crisis.

The support plan was initially mobilised during the first half of 2020 to supplement three funds targeting sectors that had received little to no grants (the Centre national de la musique relief fund, the emergency fund for non-musical live entertainment managed by the Association pour le soutien du théâtre privé (ASTP, association in support of private theatre) and the solidarity fund set up by the Société des auteurs et compositeurs dramatiques (SACD, society of dramatic authors and composers), and was later used as part of the "l'été Particulier" ("the Particular summer") call for projects allowing the general public and artists to come together as part of a programme offering free live entertainment from all scenes in the public area.

This support plan was also used to finance exceptional grants to many stakeholders and structures from the Parisian cultural community (live entertainment, music, visual arts, public readings, amateur or heritage activities).

OPERATING SECTION

EXPENDITURE

FOR THE 2020 FINANCIAL YEAR, THE OPERATING BUDGET FOR CULTURE, SOCIAL LIFE, YOUTH, SPORT AND LEISURE TOTALLED €585.1M, €308.7M OF WHICH WAS DEDICATED TO THE WAGE BIL.

34 jobs were created in 2020 under this function to support the opening of new facilities and improve the cultural and sports policy.

At the Directorate of Cultural Affairs (DAC), in the conservatory sector, the rise in new conservatories and the educational lesson reform resulted in the creation of 2 jobs and 140 teaching hours.

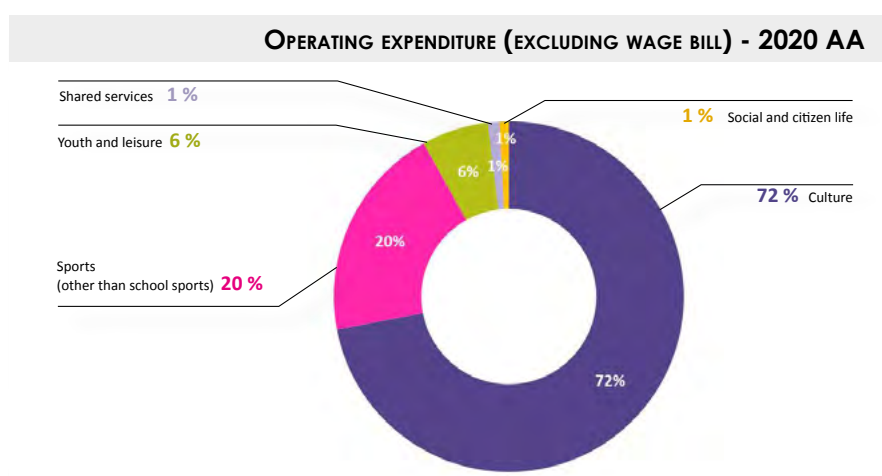
The library sector benefitted from the creation of 12 jobs, including 5 for initiatives in working class districts, 3 jobs to improve the library network, 1 job to supplement the library IT department, 1 job to reinforce the standby team dedicated to ensuring library replacements and 2 jobs to facilitate the operation of teams in charge of opening the Robert Sabatier and J-P Melville media libraries on Sundays. Another job was also created to reinforce the cinema assignment.

In order to curb precarious employment, 30 jobs were created by transforming temporary teaching hours in order to provide temporary conservatory teachers with contracts.

14 jobs were created within the Directorate for youth and sports (DJS) to ensure the running of 2 new gymnasiums and a new sports centre. A further job was created to coordinate and steer catchment areas and another to support large events.

In total, in 2020, including all other movements (redeployments, transformations, transfers), the balance of budget movements stands at +63 budget jobs under this function.

Not including the wage bill, operating expenditure relating to the “culture, social life, youth, sports and leisure” function stands at €276.4m on the 2020 AA, a €14m increase.



The budget dedicated to culture totals €199m on the 2020 AA, a €18.3m increase compared to 2019, mostly as a result of the support plan implemented mid-year to help the sector overcome the economic consequences of the health crisis.

Expenditure relating to **theatre**, most of which is made up of grants to cultural establishments, totals €99.3m on the 2020 AA, representing a €10.3m increase compared to the 2019 AA. For the most part, this sharp increase is the result of the plan to support culture, with theatres receiving €9.1m in 2020 under this plan. The main measures to support theatres included the payment of exceptional grants to cultural stakeholders. The proportion of this expenditure dedicated to **supporting live entertainment** amounts to €43.3m, the proportion dedicated to **musical expression** amounts to €44.6m and that dedicated to the **diversity of the cultural economy** (circus, street art, current music, etc.) amounts to €11.4m.

Expenditure dedicated to **museums** totals €64.9m. This is for the grant allocated to the **établissement public Paris Musées (EPPM, Paris Museum public establishment)**, €8.8m more than on the 2019 AA. The grant to EPPM has increased as a result of support granted to the establishment in 2020 due to the collapse of its revenue and the inflexibility of its expenses (in particular, the inability to resort to partial activity resulted in the maintaining of significant staff expenses).

€20.7m was granted to **artistic activities and cultural events in 2020**, in decline by €1m. Grants for **artistic education and amateur activities** (€8.4m) have increased due to the cultural support plan (+ €0.4m). Grants to **visual arts** (€8.2m) have also increased by €1m compared to 2019, under the combined effects of the cultural support plan (+ €1.3m) and of the reduction in the contemporary art fund's current operating expenditure (end of exceptional expenses in connection with the moving of the collections located rue du Pré, mostly in 2019). **Grants to cultural action** (€1.4) also benefitted from the support plan to the amount of €0.02m. However, expenditure dedicated to organising the **“Nuit Blanche”** (event (€0.8m) dropped by €1.5m, as a result of the COVID health crisis, which required that the event be resized based on a limited 100,000-person audience instead of the usual million. Expenditure dedicated to **cross-functional cultural action resources** (€1.1m) has dropped by €0.7m. This decline is attributable to the end of leases on storage warehouses for the Châtelet theatre and the transfer of appropriations relating to General stores to the DLH in 2020. Lastly, the operating costs of **Fine art academies and workshops** (€0.8m) have dropped by €0.3m due to the health crisis.

In 2020, €7.4m was spent on preserving **cultural heritage**, rdvided into €2.9m for the maintenance and promotion of heritage, €2.4m in grants - including €0.1m under the cultural support plan -, €1.3m for heritage fountains, €0.6m for the “Remembrance” budget and €0.2m for the budget dedicated to historical heritage.

€3.9m was spent on the running of **libraries and media libraries**, including €0.1m dedicated to the support plan, revealing a €0.2m decline due to their closure during the first lockdown.

€2.4m was spent on **cinema**, €0.4m more than on the 2019 AA as a result of the cultural support plan.

The **archives department** incurred €0.4m in spending.

Expenditure dedicated to sport totals €55.1m on the 2020 AA, in slight decline (€1m) compared to the 2019 AA.

In 2020, €20.7m was allocated to **sports events**, down by €1.4m. Due to the restriction on sports activities in 2020, spending on **sports facilities** (€3.7m), **events** (€0.6m) and **school transport** (€0.5m) has dropped by €1.2m, €0.2m and €0.6m respectively. Sports associations received support from the City, and particularly at amateur level, being more affected by the effects of the health crisis than professional clubs. As a result, **support to professional clubs** (€3.6m) dropped by €0.6m in 2020, while support to **local sports** (€7.4m) increased by €1.7m. The drop in spending on **major international sports events** (- €1.6m compared to the 2019 AA) is mainly attributable to the cancellation of most events in 2020, among which the European Athletics and Gymnastics championships and an NBA game organised in Paris. The temporary stadium project at the Trocadéro, which was intended for the European football championship and the Tokyo Olympic Games, was postponed to 2021. Moreover, spending for the 2024 Olympic and Paralympic Games (€2.9m) has increased by €1m compared to the 2019 AA as a result of the implementation of the Heritage programme.

Spending on **swimming pools** totals €20.5m, €1.8m more than on the 2019 AA. €16.2m was allocated to **outsourced management**, up by €1.8m due to the opening of the Yvonne Godard (20th arrondissement) and Elisabeth (14th arrondissement) swimming pools. Down payments (public procurement and DSP) were paid in full, save for school timeslots and social tariffs in order to support delegates during the health crisis. Spending on **swimming pools under own management** is stable despite their closure, with water savings having been countered by an increase in maintenance works. Appropriations dedicated to the **rental of timeslots** have dropped by €0.2m due to activities being cancelled as a result of the health crisis.

The budget allocated to **stadiums** totals €5.8m, €0.6m less than in 2019, primarily due to the outsourcing of the Jean Bouin stadium. €4.9m was spent on the management of **sports halls and gymnasiums**, the operating and routine maintenance expenses of which have risen by €0.2m compared to the 2019 AA.

Lastly, €3.2m was spent on managing **inter-départemental parks**, a slight €1m decline compared to the 2019 AA. This evolution is caused by the inter-départemental park of Bobigny returning to own management.

The amounts dedicated to youth and leisure initiatives totalled €17.1m, with €12.2m spent on leisure centres and holiday camps.

Due to the COVID crisis (closure of centres during the lockdown, and later the reduction in trips and short holidays), the budget dedicated to the running of **leisure centres** totalled €8.2m in 2020, compared with €9.2m in 2019.

€4.1m were allocated to financing **holiday camps**, in slight decline by €0.1m. The impact of the cancellation of holidays was almost entirely countered by the implementation of the "Colos apprenantes" ("Learning camps") scheme at the State's request during the summer and autumn of 2020.

Lastly, €4.8m was allocated to **other activities** for youths, an amount equivalent to that on the 2019 AA. This spending includes the BAFA citoyens and Paris Jeunes Vacances schemes.

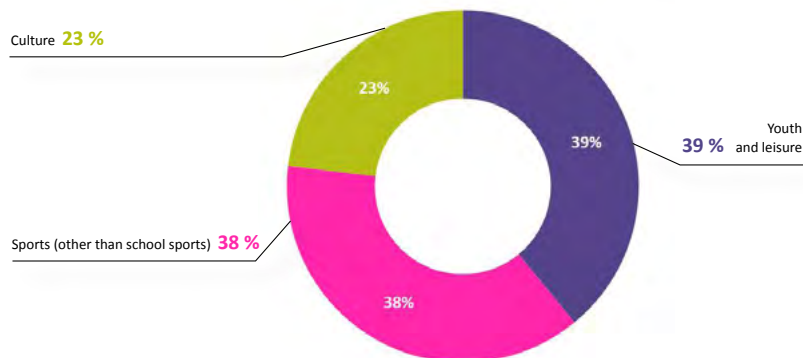
"**Social and citizen life**" accounts for €3m, including €1.4m dedicated to gender equality, €0.8m to fight discrimination, €0.7m for the night policy and €0.2m for LGBTQI+ initiatives.

Shared services used a budget of €2.3m in 2020, down by €2.4m, mainly attributable to the transfer from the Directorate of Cultural affairs budget, in 2020, to the Directorate of Urban affairs' budget (Function 5) of appropriations for the reimbursement of fluid expenses and of expenses for the maintenance of the Halles cultural facilities to the SEM PariSeine, to the amount of **€1.7m**, and a **COVID impact representing €0.6m**.

Revenue

Operating revenue relating to **culture, social life, youth, sports and leisure** totals €65.9m, down by €41.7m compared to the 2019 AA. This decline is partly attributable to the transfer of Caisse d'Allocations Familiales (CAF, Family benefit fund) revenue to the education function (function 2) and by the drop in use of sports, cultural and youth facilities as a result of their closure during the health crisis.

OPERATING REVENUE - 2020 AA



Revenue from the youth and leisure sector stands at €25.8m on the 2020 AA.

In 2020, **leisure centre** activity generated €22m in revenue, €22m less than in 2019. This revenue includes €15.8m in participations from leisure centre users and €6.2m in participations from the Caisse d'Allocations Familiales (CAF) to finance leisure centres as part of Childhood Youth Contracts.

This strong decline is mainly due to the new distribution of CAF participations, which are divided between the 'Education, vocational training and learning' function and the 'Culture, social life, youth, sports and leisure' function. Most of these participations are now found under 'Education' revenue. Thus, €20.1m in additional CAF revenue was recorded in 2020 under the 'Education' function.

Other revenue from this sector includes €1.7m in revenue from **Vacances Arc-en-Ciel** (up by €1m as a result of the State's total compensation through the 'Colos apprenantes' scheme) and €2.1m in revenue from **other activities targeting youths** (down by €1.2m, in particular due to a decline in activity centre attendance caused by health restrictions).

Operating revenue from the sports sector stands at €24.9m, €18.3m less than on the 2019 AA.

Revenue from **stadium** activity stands at €18.9m, a €13.2m decline. The drop in stadium revenue, particularly those under outsourced management, is attributable to fee exemptions granted on a pro rata of the number of days they were closed, the cancellation of the Paris Marathon and Half Marathon (- €1.4m) and the deferral of payment of the variable part of the fee paid by the Fédération Française de Tennis (FFT) to organise Roland-Garros (€4.7m).

Revenue from the organisation of major international sporting events such as the **2024 Olympic and Paralympic Games** stands at €0.5m, an amount that is stable compared to 2019.

Revenue from **swimming pools**, which stands at €4.3m in 2020, has dropped by €4.5m due to their temporary closure and, more generally, the drop in attendance caused by the health crisis.

Revenue from **sports facilities**, which stands at €1.2m on the 2020 AA, has dropped by €0.6m.

€15.2m in revenue was collected from the culture sector in 2020, €1.3m less than recorded on the 2019 AA.

€11.7m was collected from **cultural events**, up by €0.3m compared to the 2019 AA, notably due to the implementation of a policy opening **academies** up to a wider audience (thereby resulting in an increase in places invoiced). Furthermore, as invoices relating to revenue from enrolments in **academies and Fine Arts Workshops (Ateliers Beaux-Arts, ABA)** for the 2019-2020 school year has all already been sent when the lockdown started in spring, the loss in revenue (lesser enrolment fees for the 2020-2021 school year for students having re-enrolled further to class cancellations in 2020) will be passed on to the AA 2021. **Cross-functional cultural action resources** and the **"Nuit Blanche"** project generated €0.2m in revenue.

Revenue from **theatres** stands at €1.4m, €0.3m less than in 2019, as a result of fee exemptions (Gaîté Lyrique, Carreau du Temple) and lesser revenue from signage on advertising banners.

Revenue from **libraries**, which stands at €1m, has dropped by €0.3m (in user revenue).

Operating revenue relating to **heritage** stands at €0.1m.

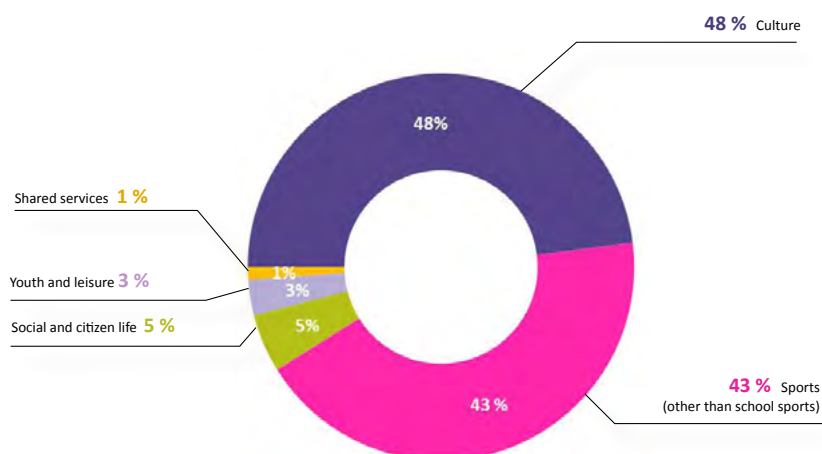
€1m in revenue was collected from **cinemas and other performance halls**, €0.9 less compared to the 2019 AA. This decline is the result of shooting stoppages in 2020.

INVESTMENT SECTION

Expenditure

€149.1m WAS DEDICATED TO THE 'CULTURE, SOCIAL LIFE, YOUTH, SPORTS AND LEISURE' FUNCTION IN 2020, COMPARED WITH €208.6m IN 2019.

INVESTMENT EXPENDITURE - 2020 AA



€71.5m was dedicated to the field of culture, down by €41m compared to 2019, notably due to the completion of works in museums and in Parisian theatres, including the Châtelet theatre, and in the municipal conservatory in the 14th arrondissement.

Expenditure for the protection of heritage, memory and archives required an investment of €23.9m in 2020, compared with €18.3m in 2019. This item of expenditure mainly relates to the 'Cultural edifice plan', which mobilised €20.9m euros in 2020. In this context, €2.3m was spent on substantial maintenance work and €1.6m on works to secure edifices. €2.8m was used to carry out works on the roof of Saint-Vincent de Paul church (10th arrondissement), €2m on works on Saint-Philippe de Roule church (8th arrondissement) and €1.6m on works on Saint-Pierre de Montrouge church (14th arrondissement).

The installation and maintenance of plaques, statues and commemorative monuments required €1.4m in investment expenditure, including €1m in grants for the Mémorial de la Shoah museum.

In addition, €0.5m was spent on maintaining heritage fountains. €0.6m was dedicated to preserving heritage in 2020, including €0.2m to maintain heritage libraries and €0.3m to digitise library works. Lastly, €0.5m was spent on archive departments.

€21.6m was invested in museums, representing a €19.6m decline compared to 2019, as the result of the completion of several projects. €13.3m was dedicated to renovating the Carnavalet museum (compared with €22m in 2019), in view of its reopening in 2021. €1.8m was spent to pay the outstanding amounts owed for various works contracts for the Musée de la Libération de Paris. Works to create underground floors at the Musée Galliera, which were completed in July 2020, resulted in €1.7m in expenditure. A further €2.4m in grants were granted to the Paris Musées public establishment to acquire artwork and finance small maintenance works.

Libraries and media libraries benefitted from €9.9m in investment expenditure, €1.7m more than in 2019. In particular, €4.3m was used to acquire new collections, €2.5m to maintain buildings and €0.8m to purchase equipment and furnishings.

Expenditure to support artistic creation stands at €7.5m, down by €12.3m compared to 2019 due to the completion of several projects in 2020. This expenditure notably related to maintenance and renovation works carried out in Parisian theatres, to a total cost of €7m. In this context, €2.9m was spent to pay the last invoices for renovation works on the Théâtre du Châtelet (compared with €13.5m in 2019) following its reopening in September 2019. The renovation of the Théâtre de la Ville, which should reopen in 2021, required €2.6m in expenditure. €1.5m was spent on urgent works on live performance halls.

Lastly, €0.5m in capital grants was granted to the cinema sector.

€6.7m was spent on cultural action, compared with €10.5m in 2019. €2.2m was paid in the form of grants to structures and associations, particularly to the Musique Philharmonie city, the Théâtre de la Ville and the Society for the development of cultural investment - Théâtre de la Pépinière. In addition, €1m was spent to maintain major cultural facilities. A further €2m was mobilised to protect cultural sites at risk, notably through pre-emption, such as the Lavoisier moderne in the 18th arrondissement.

Expenditure on education and amateur activities stands at €1.9m in 2020, compared with €14.5m in 2019. This evolution is attributable to the completion of the project to build the Darius Milhaud municipal conservatory (14th arrondissement) which was inaugurated in September 2019.

€64.3 was spent on the sports sector, €18.8m less than in 2019.

€33m was spent to prepare the 2024 Olympic and Paralympic Games. €20.2m was paid in 2020 as part of Paris' contribution to the Olympic Delivery Authority (Solideo), in charge of delivering the sites and infrastructure projects. A further €11.2m was spent on the project to restructure the Fillettes gymnasium (18th arrondissement).

€13.2m was invested in **sports halls and gymnasiums**, compared with €23.4m in 2019. This decline is notably attributable to the completion of works on the gymnasium located 122 rue des Poissonniers (18th arrondissement) in June 2020, or those on the Halle Carpentier in the 13th arrondissement. €5.9m was spent on maintaining facilities through localised maintenance expenditure. €1.3m was spent on creating the gymnasium in the Chapelle International district (18th arrondissement) and €1.2m was spent on renovating the Dejerine sports centre (20th arrondissement).

Investment expenditure for **swimming pools** stands at €12.7m, compared with €37.3m in 2019. This decline is attributable to the delivery of many renovation projects in 2019, including the Saint Merri swimming pool (4th arrondissement) or the Davout swimming pool in the 20th arrondissement. Among individualised projects, €2.4m was spent on completing the construction of the Élisabeth swimming pool which opened in February 2020 in the 14th arrondissement, €2m was spent on renovating the Blomet swimming pool which opened in September 2020 in the 15th arrondissement and €0.7m was spent on the swimming pool located 133 rue Belliard in the 18th arrondissement. The swimming pool plan (substantial maintenance and renovations) cost €6.3m.

€3.5m was spent on **stadiums**, including €1m to install and maintain artificial turf, €0.9m on the Jean Bouin stadium and €0.8m was spent on works to renovate the Parc des Princes in the 16th arrondissement.

The maintenance and renovation of **bath and shower rooms** resulted in €1m in expenditure.

Other sports facilities, such as inter-départemental parks and international sports facilities required €0.9m in spending in 2020. Furthermore, €0.7m was paid in the form of capital grants to organisations in charge of managing parks.

€7.3m was dedicated to social and citizen life, compared with €7.1m in 2019.

€3.3m was dedicated to maintaining and modernising arrondissement town halls. Carpentry restoration works and the façade refurbishing carried out on the town hall in the 10th arrondissement mobilised €1.5m, the renovation of the town hall in the 13th arrondissement was afforded €0.7m and that of the town hall in the 17th arrondissement required €0.4m.

As regards expenditure relating to youth, €4.5m was invested in 2020, including €2.5m to rebuild the Hébert activity centre (18th arrondissement) and €1m to maintain facilities through localised investment expenditure.

Lastly, €1.5m was spent on services shared by culture, youth, sports and local and citizen life.

Revenue

INVESTMENT REVENUE FOR CULTURE, SOCIAL LIFE, YOUTH, SPORTS AND LEISURE STANDS AT €20.5M IN 2020 COMPARED WITH €23.5M IN 2019.

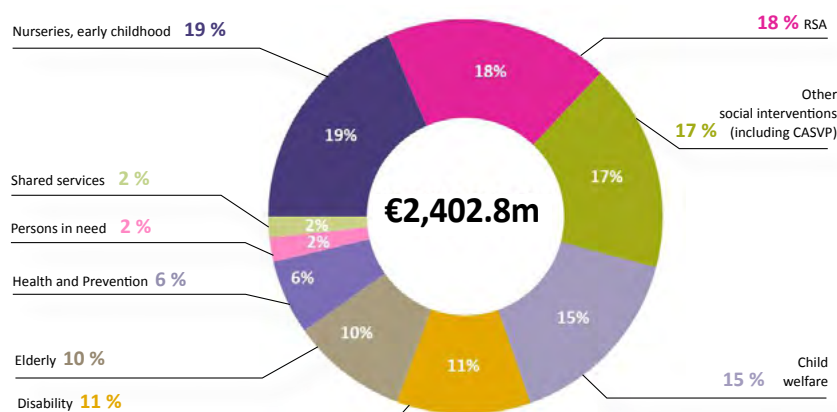
This amount is mainly comprised of €11.2m euros in participation payments by SOLIDEO.

€2.9m was collected in the form of grants for the implementation of the Church Plan from the Regional Directorate of Cultural Affairs for the Île-de-Franceregion, from patronages and fees relating to advertising banners, including €1.8m for works carried out on Saint Germain des Prés church (6th arrondissement).

A further €2.9m was collected following works carried out in Parisian museums from patronages received by the Établissement Paris Musées and passed on to the City to finance the works carried out.

An amount of €2m was collected for works on the Champs-Élysées fountain (8th arrondissement), financed by the Fonds pour Paris (Paris Fund).

CONSOLIDATED BUDGET FOR HEALTH AND SOCIAL ACTION - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	2 235,6	2 347,2
of which wage bill	516,9	525,0
Investment expenditure	82,8	55,6
Operating revenue	618,0	600,5
Investment revenue	6,5	5,1

OPERATING SECTION

EXPENDITURE

ON THE 2020 AA, THE OPERATING BUDGET DEDICATED TO HEALTH AND SOCIAL ACTION STANDS AT €2,347.2M, INCLUDING €525M FOR THE WAGE BILL.

230 jobs were created under this function in 2020.

The municipality's commitment towards early childhood care continued with the creation of 156 jobs within the Directorate of families and early childhood (DFPE) in 2020, including 47 jobs to open or increase the capacity of 5 facilities, 3 administrative support jobs to assist with this scale up, 3 jobs in care for disabled children and 3 jobs to ensure the progressive return of staff to the Paris Habitat children's' garden. In addition, 100 childcare assistant jobs have been created to secure recourse to specialised public servants in nurseries in order to ensure the proper running of establishments, in a recruitment context made all the more difficult by these COVID times.

80 Category C early childhood jobs have been transformed into Category B jobs, offering new perspectives to childcare assistants that care for disabled children and to prevent vocational risks, as well as to technical early childcare public servants, specialising in general logistics and coordination. These category transformations offer Category C public servants a better career in this sector which is still dominated by women.

Within the Directorate of Social Action, Childcare and health (DASES), 74 jobs were created in 2020, including 60 jobs to continue the reform of the social child support sector, in addition the 55 jobs created in 2019.

14 jobs were also created within the Sub-directorate for health, 2 jobs for the resumption of the Local drug addiction coordination observatory, 3 local mental health coordinator jobs and 9 jobs to implement the action plan against lead pollution which was presented to the Council of Paris on 18 September 2019.

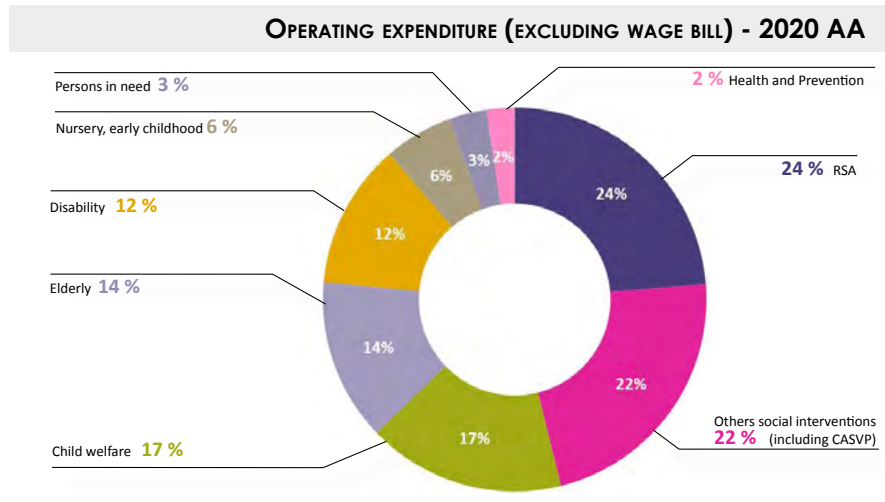
At the DASES, as part of the school health service reform, 3 doctors' jobs were transformed into 3 territorial support doctor jobs, and 6 doctors' jobs and 2 medical secretary jobs were transformed into 14 nurse jobs.

Lastly, employment authorisation adjustment operations needed to be made to match actual numbers. These adjustments were made at a zero-sum transfer at City level and had no impact on the wage bill.

For the DFPE, the 200 authorised excess staff were regularised, by transforming 85 Category A early childcare jobs into 85 technical early childcare officer jobs and by transferring 200 jobs from unallocated workforces, turning them into 195 childcare assistants and 5 technical early childcare public servants.

In total in 2020, including all other movements (redeployments, transformations, transfers), the balance of budget movements stands at +409.5 budget jobs under this function.

Health and social action expenditure, excluding the wage bill, stands at €1,822.2m on the 2020 AA, €103.4m more than on the 2019 AA.



Minimum income support (RSA) expenditure stands at €431.9m, a €30.9m increase.

Among this expenditure, benefits and ex gratia discounts have increased by €29.6m, standing at €393.6m. Besides the impact of RSA revaluations (+1% in April 2019 and +0.9% in April 2020), this increase is caused by a rise in the number of beneficiaries as a result of the economic consequences of the health crisis: +8.5% on average in 2020 compared to 2019 (70,065 beneficiaries in December 2020). Measures to support RSA beneficiaries, implemented as part of the Parisian Plan for Inclusion through Employment (PPIE), total €38.3m (+€1.3m).

Expenditure on social support for children (ASE) stands at €296m, €17.3m more than on the 2019 AA.

For the most part, this increase is the result of the accommodation fees paid to Parisian establishments involved in ASE (EPASE), which have risen by €17.1m to a total of €215.6m. In particular, this dynamic is caused by the opening of new structures (such as the Montlignon establishment for youths suffering from behavioural disorders), and the ramping up of the call for projects for unaccompanied minors. At the same time, ancillary accommodation costs (€4.7m) have dropped by €3.5m as a result of the health crisis which prevented the organisation of activities (outings, trips). Lastly, expenditure for hotel expenses (€17.7m) has increased by €3.4m, with the number of families receiving support having increased due to the health crisis (356 families in March 2020 and 485 in February 2021, i.e., +36% in less than a year).

Other expenditure for ASE (educational initiatives, grants, family benefits, etc.) is stable at €58m (+€0.3m)

Appropriations relating to family and early childhood account for €113.1m, a €10.6m increase compared to the 2019 AA, including €7.5m in exceptional support paid to disadvantaged Parisian families to help them meet their most basic needs, particularly in terms of food, during the health and social crisis and with the closure of care centres for young children and school establishments.

Expenditure relating to **nurseries and day-care centres** stands at **€103m**, a €3.1m increase due to the development of the fleet in 2019 (cost of places for a full year in 2020) and 2020 (cost based on a pro rata of places open in 3 new establishments). This dynamic has been slowed by savings generated by the closing of nurseries from 16 March to 11 May 2020 (except a few relay nurseries). On the contrary, the health crisis generated additional expenditure (particularly cleaning expenses, but also water analyses prior to the reopening of facilities in May and June).

Lastly, an amount of €2.6m was mobilised for **family facilities**, to continue to finance initiatives falling within the Parisian childhood and family strategy (including the R'de jeux and Ludomouv' schemes)

Expenditure for the elderly and the personal independence payment (APA), stands at €223.2m, €17.1m less than on the 2019 AA.

Expenditure for **accommodation for the elderly** eligible for legal social assistance (€77.7) has notably dropped by €9.2m in a context in which the number of beneficiaries is dropping, more so due to excess mortality as a result of the COVID pandemic (4,697 beneficiaries in December 2020 compared with 6,136 beneficiaries in December 2019).

Personal independence payment (APA) expenditure stands at €122.8m, a €9.5m decline compared to 2019. This amount includes :

- €77.2 for in-home APA, down by €4.1m due to a drop in the number of beneficiaries from 15,803 in 2019 to 13,664 in December 2020 ;
- €45.1m for in-establishment APA, down by €5m (8,237 beneficiaries in 2019 compared with 7,051 in December 2020);
- €0.5m in fees for the issuance and processing of Cheques for Universal Employment Services (CESU) paid to 6,262 beneficiaries and for the participation paid to the CASVP for the preparation of APA applications.

A further €22.6m was **spent on prevention and support** for the elderly, €1.6m more than on the 2019 AA.

These appropriations include €13.8m dedicated to day care (primarily the participations of 6 local information and coordination 'Paris Emeraude' centres and a portion of care in Alzheimer day care centres). This expenditure has increased by €2.3m due to the financing of an exceptional bonus for in-home care and support (SAAD) employees. Furthermore, €2.6m was dedicated to home help, €0.4m to cross-function in-home initiatives targeting the elderly and €0.4m to grants. Lastly, €5.4m was dedicated to initiatives financed as part of the conference of financiers (+ €0.1m). Created by the Act to adapt society to ageing of 28 December 2015, this scheme aims to coordinate the financing of prevention on loss of autonomy around a common strategy in each department.

Social support to disabled individuals accounts for €248.6m, €9m more than on the 2019 AA.

In this respect, **housing structure accommodation fees and participations** constitute the main item of expenditure, totalling €159.9m (€145.6m in accommodation fees and €14.3m in day care), €4.7m more than on the 2019 AA, in line with the upwards trend of the number of beneficiaries (5,240 in December 2020 compared with 4,916 in January 2020).

This trend also has an effect on the **amounts paid in disability compensation benefits (PCH) and in third party assistance compensation (ACTP)** which have increased by €4.3m and stand at €80.4m (€65m for PCH and €15.4m for ACTP respectively).

€8.3m was spent on **other initiatives** for the disabled, including €3.4m on guidance and information for disabled individuals through the contribution to the Départemental centre for disabled people (MDPH 75), stable compared to 2019, and €3.7m for legal social assistance to finance in-home help services.

€42.6m was spent on **assistance to people in need**, a €6.2m increase compared to the 2019 AA.

In particular, this budget includes the contribution to the housing solidarity fund (FSL) to the amount of €21.5m, up by €2.5m. €8.2m was dedicated to financing initiatives carried out as part of the great cause of fighting against exclusion (+ €2.7m) and €5.7m was spent on grants for initiatives to accommodate refugees (+ €0.4m) and demonstrating the authority's efforts in these two areas. €1.4m was spent on solidarity meals, €2m on hotel accommodation and €3.7m on grants for solidarity (+ €0.8m).

Other social interventions required a budget of €407.6m, most of which for grants to the City of Paris' Social Action Centre (CASVP).

The contribution to the CASVP totalled €379.4m, a €11.3m increase compared to 2019 as a result of the social consequences of the health crisis. Initiatives targeting **specialised prevention and social ties** represent a cost of €28.2m (+ €0.3m). Within this envelope, €19.1m was dedicated to participations to specialised prevention clubs, €6.3m to financing social centres and €2m to grants to promote social ties. Lastly, €0.7m was dedicated to the help fund for young Parisians.

€57.8m was **spent on health and prevention**, a €35.1m increase compared to the 2019 AA.

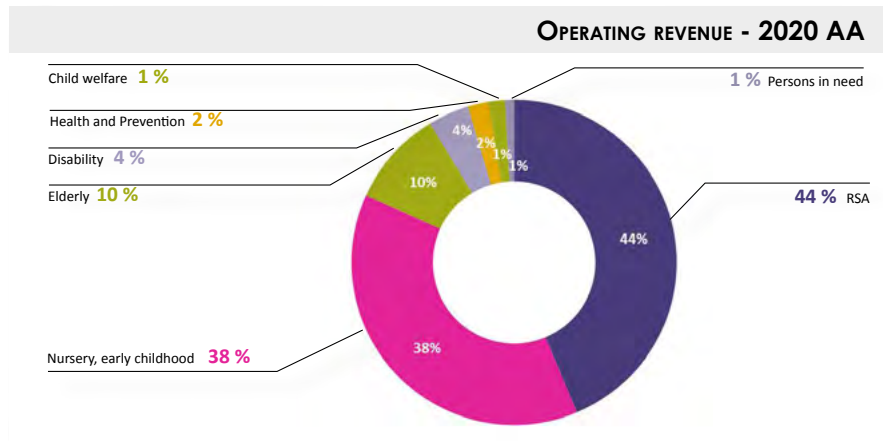
This increase is linked to the Covid 19 pandemic. Thus, €32.2m was spent on the provision of masks and other personal protective equipment (gloves, blouses, etc.) in addition to appropriations under the general services function (for a consolidated total of €49.4m). A further €2.6m was dedicated to the testing campaign.

Expenditure on **maternity and child welfare (PMI) and family planning stands** at €10.6m (- €0.2m). €12.4m was dedicated to **prevention initiatives, health education and health centres** (+ €0.4m). The expenditure mostly includes appropriations for prophylaxis (€3.7m), laboratories (€1.2m), prevention through education initiatives (€2.5m), the fight against drug addiction (€2.2m), health centres (€1m), school health and vaccination (€1m).

Lastly, **expenditure on shared services** has remained stable at €1.4m.

REVENUE

OPERATING REVENUE RELATING TO SOCIAL ACTION AND HEALTH STANDS AT €600.5M, €17.5M LESS THAN ON THE 2019 AA.



At €262.4m, most revenue is from **compensation for RSA benefits**, primarily through a fraction of the domestic tax on consumption of energy products (TICPE). This represents €246.6m in revenue, an amount that is stable compared to the 2019 AA. €10.8m was also collected from the départemental mobilisation fund for inclusion (FMDI), and €5m was collected through the recovery of undue amounts (+ €0.9m).

Revenue from **early childhood and nurseries** stands at €228.7m, down by €33.2m, due to the closing of establishments as from 16 March 2020 and their gradual reopening as from 11 May. Family participations (€57.7m) declined by €28.7m (-33%). The participations paid by the CAF (€168m) also decline, albeit to a lesser degree (- €5.3m, or -3%), with the organisation having implemented compensation mechanisms absorbing the gross loss of revenue.

Revenue relating to **assistance to the elderly** stands at €57.5m, up by €16.1m. This evolution is mainly caused by the increase in allowances paid by the National Solidarity Fund for Independent Living (CNSA) for the APA: €17.4m compared with €5.2m on the 2019 AA (impact of adjustments on previous financial years, and the reimbursement of exceptional bonuses paid to SAAD employees). Revenue from recoveries from beneficiaries (€29.6m) increased by €4.7m in line with the number of cases processed by the DASES along with a few substantial recoveries (including one of over €1m). Participations towards the conference of financiers as part of autonomy and prevention stand at €5.6m (+ €1m). Lastly, reimbursements for unused Cheques for Universal Employment Services (CESU) total €4.3m.

Revenue from policies in favour of disabled individuals stands at €24.5m, a €0.9m increase. This revenue includes €15.2m in allocations paid by the National Solidarity Fund for Independent Living (CNSA) for PCH (€13.5m) and MDPH 75 (€1.7m), as well as €1.5m for undue payments and reimbursements relating to unused CESUs. Recoveries from beneficiaries amount to €7.3m.

The amount of revenue collected from **health prevention and education, health establishments and mother and child protection (PMI)** stands at €12.2m (- €2.2m). This revenue is mostly comprised of reimbursements from social security organisations for care provided to the users of these centres, and of user participations.

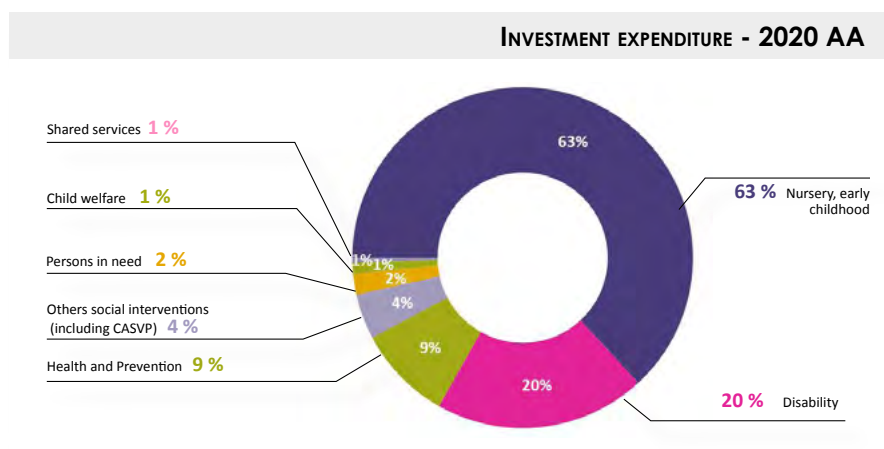
Revenue from **social child assistance** stands at €9.9m, down by €1m. The reimbursement of divestitures by other directorates (€8.3m) decreased by €0.3m, and the amount of participations from families accommodated in hotels (€0.6m) has dropped by €0.5m, with these households having become less solvent due to the crisis.

Lastly, revenue from **assistance to persons in need** stands at €5.4m (+ €3.3m): €4.3m in State participation as part of the support agreement on the fight against poverty and access to employment, and €1.1m from the European Asylum, Migration and Integration Fund (AMIF) to co-finance the project to accommodate and support drifting minors in la Goutte d'Or.

INVESTMENT SECTION

Dépenses

INVESTMENT EXPENDITURE FOR HEALTH, SOCIAL ACTION AND SPENDING RELATING TO THE RSA TOTALLED €55.6M IN 2020, €27.2M LESS THAN IN 2019 (€82.8M).



SOCIAL ACTION ACCOUNTS FOR 90.9% OF EXPENDITURE, OR €50.5M INVESTED IN 2020, €26.6M LESS THAN IN 2019.

The City invested **€35m** in **early childhood (nurseries, day-care centres and multi-care structures)**, a €22.1m decline compared to 2019.

€19.7m was dedicated to works to construct or restructure nurseries (compared with €32.4m in 2019). These works include those on the collective nurseries located boulevard Lefebvre in the 15th arrondissement (€2.8m), rue de l'Évangile in the 18th arrondissement (€2.5m), or rue de la Justice in the 20th arrondissement (€1.8m).

In keeping with the objective of opening 5,000 new nursery spots, several projects were completed. This is the case for the nurseries located 133 rue de Belleville (19th), in Clichy-Batignolles (17th), rue Ganneron (18th) and rue Max Jacob (13th).

Maintaining and equipping these nurseries accounts for €15.3m in expenditure compared to €24.6m in 2019. This decline is caused, on the one hand, by the postponement of several projects due to the health crisis and, on the other, by the drop in capital grants to associative nurseries (- €6m compared to 2019) as a result of the decrease in the number of nursery openings (11 compared with 14 in 2019) following the health crisis. Furthermore, with the term's programme coming to an end, only one new project was voted in 2020, compared with 15 in 2019.

€10.5m was dedicated to spending to **improve accessibility**, compared with €12.8m in 2019. This for the following facilities: school buildings (€4m), green spaces (€1.8m), arrondissement town halls (€1.5m), sports facilities (€1.3m), administrative buildings (€0.8m), cultural facilities (€0.4m), early childhood facilities (€0.4m), transport (€0.2m) and social facilities (€0.1m).

€2.4m was spent on **the elderly**, including a €2.3m capital grant to the CASVP to finance works to restructure and modernise the Belleville nursing home (EHPAD, 20th arrondissement). €0.1m financed the gerontological blueprint.

Investment expenditure for **solidarity** totalled €1.2m. €0.9m was dedicated to combatting exclusion, €0.2m to territorialising social action and €0.1m was paid to social centres, and particularly for the La Serre Pouchet social centre (17th arrondissement).

€0.6m was spent on **childhood protection** (€1.3m in 2019), including €0.3m to create the Départemental family care centre in Lagny-sur-Marne (77). This decline is attributable to the completion of this project.

A further €0.6m in capital grants was paid to establishments caring for **disabled individuals** (€0.8m in 2019).

Lastly, **services shared** by the childhood and social action sectors generated €0.3m in expenditure.

In 2020, health expenditure rose to €5m as in 2019.

€3.2m was dedicated to maintenance expenditure and the renewal of equipment in health and mother and child establishments, including €0.7m for works on health centres, €0.9m on mother and child establishments, €0.6m specifically for the Lefebvre Péri-chaux mother and child establishment (15th), and €0.4m for equipment and furnishings in laboratories.

€1.8m was dedicated to health prevention and education initiatives, including €1.2m in the form of grants to the AP-HP and to associative organisations.

Structural expenditure linked to the RSA totalled €0.07m, €0.6m less than in 2019. This decline is the result of the end of design works to install central arrondissements in the Parisian area (EPI), rue Château Landon (10th arrondissement).

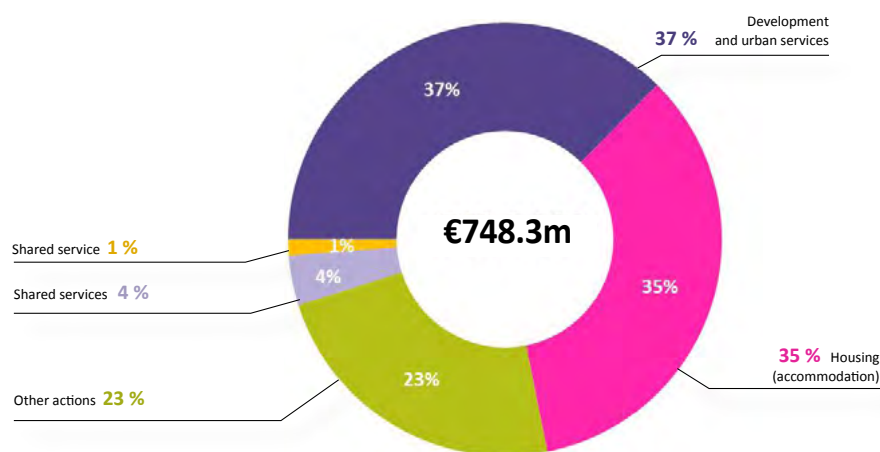
Revenue

INVESTMENT REVENUE FOR HEALTH AND SOCIAL ACTION TOTALLED €5.1M IN 2020, COMPARED TO €6.5M IN 2019

This revenue is mostly from grants paid by the Family Benefit Fund (CAF) following works to create and renovate nurseries and multi-care structures. These are paid upon the opening of each establishment, which explains their evolution from one year to another. For example, €1.2m was collected from works on the collective nursery PNE Chapelle internationale located in the 18th arrondissement and €0.9m from the collective nursery located rue de la Justice in the 20th arrondissement.t.

5/ TERRITORIAL DEVELOPMENT AND HOUSING

CONSOLIDATED BUDGET FOR TERRITORIAL AND HOUSING DEVELOPMENT - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	246,3	247,3
of which wage bill	159,4	159,3
investment expenditure	575,9	501,0
Operating revenue	305,2	214,7
Investment revenue	250,3	218,4

OPERATING SECTION

Expenditure

FOR THE 2020 FINANCIAL YEAR, THE OPERATING BUDGET FOR DEVELOPMENT AND HOUSING TOTALLED €247.3M, €159.3M OF WHICH WAS DEDICATED TO THE WAGE BILL.

On the 2020 initial budget, 10 jobs were created at the Directorate of green areas and the environment (DEVE) to maintain new green areas inaugurated as part of the 30 hectares programme.

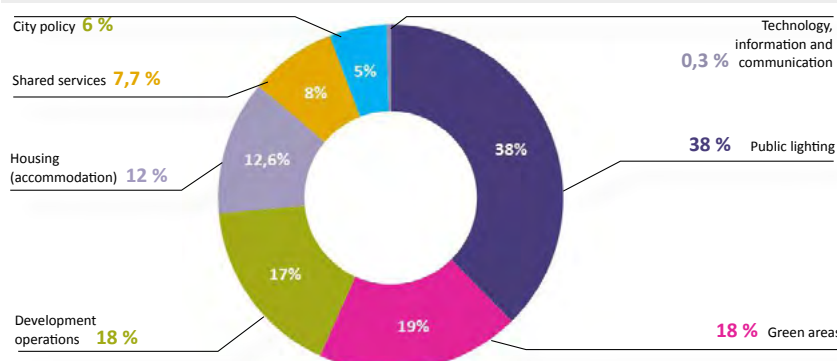
At the DLH, 1 job was created to extend the information system for lease management (LUDIC), 1 job to steer the management of the traveller halting sites project, and 3 to improve furnished tourist accommodation inspections.

Under the 2020 supplementary budget, 16 administrative assistant jobs were turned into medical and social secretary jobs, enabling housing councillors within the housing application department to move up from Category C to Category B. These transformations serve to acknowledge the special requirements of these public servants' tasks.

In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at + 7 budget jobs under this function

Not including the wage bill, operating expenditure for development and housing totalled €88m, €1.7m more than on the 2019 AA.

OPERATING EXPENDITURE (EXCLUDING WAGE BILL) - 2020 AA



On the 2020 AA, €69.9m was dedicated to territorial development, €1.6m more than on the 2019 AA. This is comprised of all appropriations relating to lighting, green areas, development projects and the city's policy.

Les dépenses liées à l'éclairage public représentent 33,5 M€ au CA 2020, en légère augmentation de 0,1 M€ par rapport au CA 2019.

Expenditure for **public lighting** totalled €33.5m on the 2020 AA, a slight €0.1m increase compared to the 2019 AA.

Expenditure for **urban green areas** totalled €15.9m. Within this budget, spending on maintenance accounts for €11.0m, including €2.8m for parks and gardens and €3.1m for trees and wooded areas. A further €4.7m was spent on watering and €0.2 on works for third parties.

Expenditure on **urban development projects** increased by €1.8m compared to the 2019 AA and totalled €15.3m. This included :

- maintenance of public facilities and the Forum des Halles, as well as operating expenses incurred by the project to redevelop the site, to a total amount of €6.2m, a €2.8m increase due to the transfer of all expenses relating to management of the Halles site to the Department of Urban Planning;
- grants paid to support public urban planning organisations to the amount of €8.3m, an amount equivalent to 2019, including €5.9m for the Parisian urban planning workshop (APUR) and €2.4m for the Pavillon de l'Arsenal;
- study costs and operating expenses relating to calls for urban projects, to the amount of €0.8m. On the whole, these have dropped by €0.5m due to lesser needs in 2020 and the health crisis (less ongoing consultations or at a lesser cost).

The **city's policy** bénéficie de 5,1 M€ en 2020. Le principal poste de dépense correspond au versement de subventions aux associations, acteurs de terrain de la politique de la ville.

Housing policies are mostly centred around the management of the authority's private housing and aid for the rental sector. €10.7m in spending was allocated to them on the 2020 AA, €0.9m less than on the 2019 AA.

La **gestion du parc privé** de la collectivité a représenté un budget de 5,8 M€, stable par rapport au CA 2019.

Management of the authority's **private housing** represented a budget of €5.8m, a stable figure compared to the 2019 AA.

Aid to the rental sector totalled €4.1m on the 2020 AA. In particular, this aid is for the "Multiloc" and "Louez Solidaire" schemes (€0.2m) as well as a set of grants to both associations in this sector (€2m) and projects to improve housing (€1.9m), down by €1.1m. For the most part, this decrease is attributable to a temporary drop in the number of supported addresses as a result of the transition from the OAHD 4 scheme to the OAHD 5 scheme.

Home ownership aids were implemented to the amount of €0.03m.

€0.1m was used to finance **traveller halting sites**. This expense is comprised of service agreements for the management of halting sites in Bois de Vincennes and Bois de Boulogne.

The envelope dedicated to **social housing under the operating section** totalled €0.15m in costs relating to social and urban project management (notably the mission to support Households of Migrant workers)

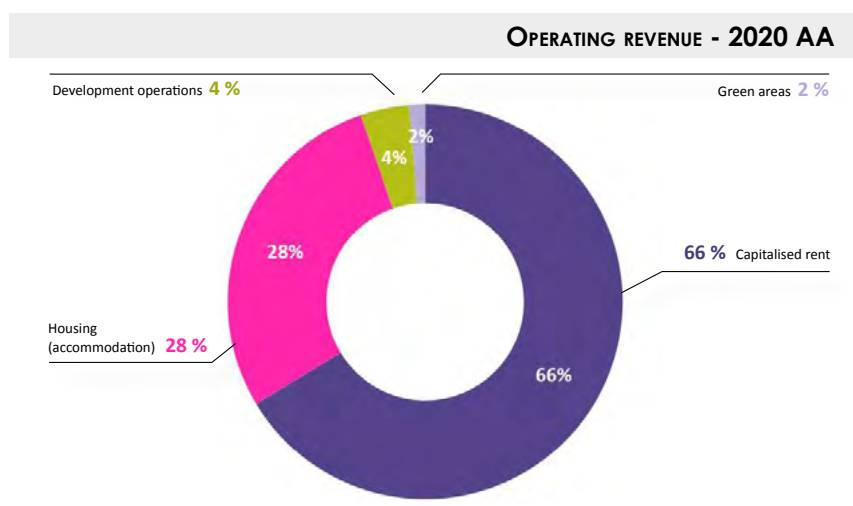
Appropriations for honoraria relating to the **housing property account** totalled €0.2m in 2020.

The budget for **public highway facilities** totalled €0.3m. These expenses were for the rental of moveable property for electronic information boards (EIB).

Services shared by Directorate of Accommodation and Housing, the Directorate of Urban Planning and the Directorate of Green Areas and the Environment totalled €6.8m.

In total, operating expenditure dedicated to the health crisis in 2020 totalled €0.4m under the territorial and housing development section.

Revenue



Investment revenue under the “development and housing” function totalled €214.7m in 2020, €90.5m less than in 2019.

Revenue from **housing and accommodation** totalled €203.7m, in decline compared to the 2019 AA (- €7m). This decline in revenue is primarily caused by the decrease in the amount of capitalised rents collected, in line with a lower number of agreements entered into. This is partly compensated for by an increase in capitalised rent from pre-emptions. **Capitalised rent**, mostly from contractual arrangements on free social housing assets, totalled €144.6m in 2020, compared with €152.7m on the 2019 AA. In particular, this revenue includes :

- €68.6m in revenue from the transfer of immovable property, that the City has pre-empted within its territory from the housing property account, to social landlords in view of carrying out social housing projects;
- €46.3m in revenue from Paris Habitat as part of the 2019 contractual campaign;
- €29.7m in revenue from Elogie-SIEMP as part of the 2019 contractual campaign.

Despite the exemptions and deferral of rent granted as part of the City’s support plan for renters (estimated at €2.9m), **revenue from rent (not including capitalised rent)** totalled €58.2m on the 2020 AA, a €1.4m increase compared to the 2019 AA. This increase is attributable to the receipt of exceptional rent in 2020.

Other revenue from the housing policy stands at €0.5m on the 2020 AA. For the most part, this is engineering revenue paid by the National Housing Agency (ANAH) as part of its participation towards the costs of housing improvement projects, in the framework of its delegation of construction grants.

€11.4m in revenue was collect in 2020 as part of the **territorial development** policy, €83.4m less than in 2019. This sharp decline is attributable to the fact that, in 2019, the City received €41.7m in exceptional revenue from the receipt of exceptional sales income from the sale of an Elogie-Siemp housing complex in the municipality of Athis-Mons (91).

Revenue from **development projects** accounts for €6.9m and primarily includes surplus from joint development zones (ZAC) collected by the City to the amount of €4.5m in 2020. This amount has dropped by €37.8m compared to the 2019 AA, in line with the end-of-projects calendar. This revenue also includes the département’s portion of planning tax (€2.3m)

Other development revenue totals €1.7m on the 2020 AA. €0.6m of this amount corresponds to the reimbursement of the share of free union associations’ (ASL) expenses, from the DU facilities at the Halles, and €1.1m is land revenue from excess acquisition fees, interest from escrow accounts and some public domain occupancy fees.

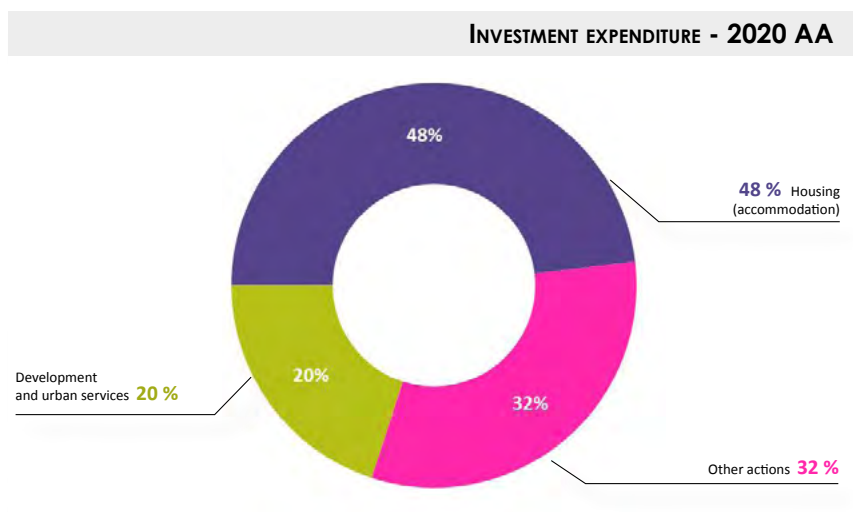
Revenue from urban green areas totalled €2.8m in 2020, compared with €4.7m in 2019. This amount includes the reimbursement of works for third parties (€0.7m) and fees paid by farmers and concession holders (€2m). The decline in this revenue is caused by the closure of parks during the 1st lockdown.

€0.1m was collected from **public lighting**.

INVESTMENT SECTION

Expenditure

INVESTMENT EXPENDITURE UNDER THE “DEVELOPMENT AND HOUSING” FUNCTION TOTALLED €500.82M IN 2020, €75M LESS THAN IN 2019.



Housing and accommodation initiatives generated an expenditure of €240.8m, €28m less than implemented in 2019 (€268.8m).

Thus, €223.8m (against €239.8m in 2019) was dedicated to **social housing** and distributed between €130m in grants to social landlords, €60.4m in appropriations delegated by the State (construction grants) and €33.3m for the social landlord support plan. The overall decline of appropriations to social housing (- €16m) despite the implementation of the landlord support plan is attributable to the slowdown of social housing construction sites during the health crisis and the first lockdown.

To properly related the authority's full efforts towards social housing, its land acquisitions for this sector should also be valued, to the amount of €144.6m in 2020 (against €110.5m in 2019). Thus, total investment expenditure for social housing has risen in 2020 to the amount of €368.4m (€350.3m in 2019).

€11m (compared with €23m in 2019) was dedicated to **aid to improve private housing**. For the most part, this includes aids to eradicate substandard housing, to the amount of €5m, down by €9m (€14m in 2019). This corresponds to participations paid to an operator, Soreqa, whose financial needs vary depending on the number addresses to be processed and its cash flow. A further €6m was dedicated to renovating private accommodation. This expenditure is comprised of €5m paid to the National Housing Agency as part of the delegation of competence regarding the management of municipal aid to improve private housing, and of €1.4m for the plan to transform 1,000 “chambres de bonne”.

€5.9m was dedicated to maintaining the **authority's private housing**, €0.2m more than in 2019, with the majority (€5m) being spent on works in communal properties (compared with €2.7m the year before).

Development and urban departments mobilised €100.1m in expenditure in 2020, compared with €168.3m in 2019.

Road development projects accounted for €33.9m in 2020, compared with €61.3m in 2019. In part, this expenditure was to develop roads and balance projects in joint development zones (ZACs).

The most noteworthy decline is caused by the project to develop squares which dropped by €13.7m compared to 2019, with a total expenditure of €8.5m during the financial year. This is attributable to the delivery of four squares in 2019 (place de la Madeleine, place de la Nation, place Gambetta and place des Fêtes), whereas only place de la Bastille and place d'Italie were under works in 2020.

Furthermore, other declines were observed as a result of the operational calendar for projects :

- €3m for the project to develop boulevard de la Chapelle (18th arrondissement) which was allocated €1.5m and which should be delivered in 2020.
- €2.6m for the project to renovate avenue du Général Leclerc (14th arrondissement), which was allocated €0.7m in 2020. This decline is attributable to the delivery of the project in 2019 and the liquidation of the last invoices in 2020.
- €2.3m for the Voie Broussais project (14th) which was delivered in 2019 but for which the last invoices were liquidated in 2020.

As regards road works in joint development zones (ZACs), the ZAC Clichy Batignolles mobilised €0.1m, the ZAC Porte de Montreuil

€0.3m, the Eole-Evangile triangle €0.9m and Python Duvernois €0.6m.

Lastly, the operation to redevelop Porte Maillot required €1.3m in 2020, compared with €1.5m in 2019.

The authority invested €33.4m on green areas, parks and gardens, notably on the following projects. Lastly, the operation to redevelop Porte Maillot required €1.3m in 2020, compared with €1.5m in 2019.

The authority invested **€33.4m** on **green areas, parks and gardens**, notably on the following projects :

- €13.5m to maintain and continue to equip wooded areas and green areas, most of which for localised maintenance operations (€3.4m), mechanical equipment (€1.4m), the maintenance of wooded areas (€1.4m) and the replacement and planting of trees (€4.1);
- €19.9m dedicated to continuing ongoing projects. The objective of delivering “30 additional hectares of green areas” was afforded €10.8m in 2020. In this context, €6.5m was dedicated to continuing the development of the Martin Luther King Park (17th arrondissement), €1.4m was spent on the Alban Satragne square (10th arrondissement), €1.2m on the Poissonniers garden (18th arrondissement). Alongside this programme, €5.1m was spent on creating a new park in the Chapelle Charbon sector (18th arrondissement), €1.2m on vegetalising major squares and €1.2m on vegetalising 100 hectares of roofs and walls.

Urban projects and participations towards joint development zones (ZACs) generated **€10.5m** in expenditure in 2020, compared with €23.4m in 2019. The 2019 financial year was marked by the payment of a significant participation towards the ZAC Chapelle-Charbon for phase 1 of the project (€18.7m). In 2020, only participations towards ZAC Beaujon 2 were liquidated.

The **Halles project** mobilised **€1.2m** compared with €12.9m in 2019 due to the completion of works.

Furthermore, **€10.3m** was dedicated to **maintaining public lighting**, compared with €11.9m in 2019.

€7.7m was spent on **participations towards the roadway report for the various ZACs**, including €7.1m for the ZAC “Paris Rive Gauche”.

Lastly, shared services mobilised **€3.1m compared with €2.5m in 2019**. This increase is due to the works carried out on premises in green area.

Other actions (land acquisitions) totalled **€159.2m**, divided among **land acquisitions for accommodation (€144.6m, see above) and the equipment property account (€13.5m)**.

€0.6m was used for the city’s policy, most of which for the subsidisation of solidarity and cultural projects.

Lastly, shared services were afforded less than €0.1m.

Revenue

INVESTMENT REVENUE RELATING TO THE TERRITORIAL AND HOUSING DEVELOPMENT POLICY TOTALLED €78.5M, EXCLUDING ASSET DISPOSALS (OR €11.6M LESS THAN IN 2019). TAKING ACCOUNT OF PROPERTY DISPOSALS, THIS AMOUNT RISES TO €218.4M (OR €31.9M LESS THAN IN 2019).

In particular, the City of Paris received **€76.3m in State reimbursements for its delegated competence as regards construction grants**. This item is in decline by €8.6m compared to 2019 due to lesser expenses as a result of the slowdown of worksites, and to the 2017-2022 multi-annual agreement.

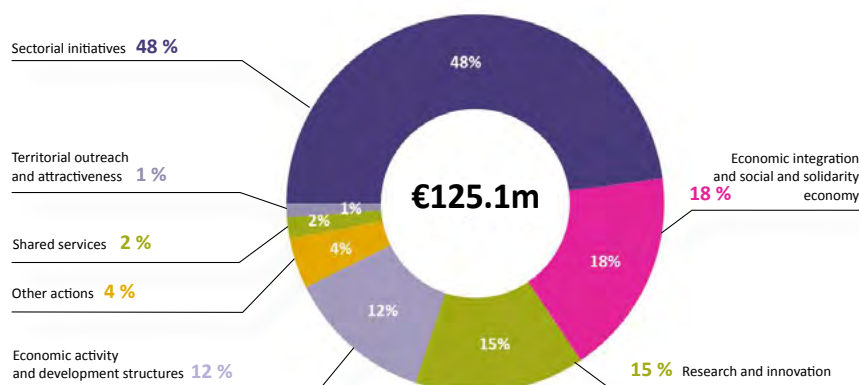
For **development and urban services**, the City received **€1.9m**, down by €2.1m compared to 2019 due to the decline in revenue from ZAC and land acquisitions. The 2019 financial year was marked by €1.8m in exceptional revenue tied to the call for payment of the outstanding balance of participation from the developer, EFA, as part of the Chapelle international project (18th); the rhythm of revenue being dependent on each ZAC’s financing agreement.

Lastly, €1.1m in revenue was collected as part of **projects to develop green areas, parks and gardens, and the roadway**.

It should be noted that, since transitioning to the M57 nomenclature, planning tax (formerly recorded under function 5) is now charged to function 0 “General services”.

Income from fixed asset disposals totalled **€139.9m** in 2020, compared with €160.1m in 2019. The difference with 2019 is attributable to the magnitude of several disposals in 2019: the disposal as part of the APUI “Reinventer Paris” Eole Evangile - Ilot fertile project (€45m), the sale of rights of way to the SEMAPA in the Bruneseau sector of the ZAC PRG (13th) (€34.6m) and the sale of the Léon Jouhaux site (10th) (€35m). In 2020, disposals were both less numerous and of lesser importance, with the main disposals in 2020 being: the Grésillons city garden in Asnières (92) for **€62.1m**, the APUI “Reinventing cities” - Porte de Montreuil for **€26.7m**, the ZAC Paul Bourget land for **€7.2m** and the building located 106-108 rue de l’Ouest (14th) for **€6.4m**.

CONSOLIDATED BUDGET FOR ECONOMIC ACTION - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	46,5	60,3
of which wage bill	10,5	10,9
Investment expenditure	27,8	64,8
Operating revenue	67,6	64,6
Investment revenue	0,0	0,0

PLAN TO SUPPORT ECONOMIC STAKEHOLDERS

The health crisis caused by the COVID-19 pandemic pulled the breaks on activity in most companies and associations across our territory, resulting in an unprecedented economic and social crisis.

The **support plan for Parisian companies and associations** provided for various exemptions in order to alleviate the burdens of the actors most affected. This included highway fees (€45.8m), rent and expenses. These exemptions were granted to the City's associations, cultural institutions and renting companies during the first and second lockdown (lesser revenue estimated at €5.2m), including exemptions for public area occupancy (€1.3m) or the reduction in administrative long lease (BEA) fees with the SEMAEST (€1.5m) and the increase in the City's participation towards certain contracts managed by the SEMAEST (VQ2 and CRC for €0.8m).

The City of Paris also reinforced its support to companies and associations by completing State and regional schemes with measures to meet the specific needs of Parisian structures, thereby directly contributing towards supporting their cash flows.

Under the operating section, the implementation of this plan resulted in compensation for the loss of revenue suffered as a result of occupancy fee exemptions offered to the delegates of indoor and outdoor markets (€4.8m), increased support to tourist structures (€3.6m), to social and solidarity economy stakeholders (€1.4m) and to associations and cultural stakeholders, libraries and art trades (€230k).

Exceptional aid was also offered for the start of the school year (€3.6m).

Under the investment section, exceptional expenditure was incurred by the Directorate of accommodation and housing (DLH) for Parisian social landlords in order to enable them to maintain works and facilities in 2021 and 2022 to improve occupancy conditions in the accommodation in their parks (€33.35m paid in December 2020).

For the Directorate of attractiveness and employment (DAE), additional financing was granted for the support and recovery plans, including €7m for participation towards the "Resilience" fund, €2.5m for the "Redémarrer autrement" scheme and a further €1m for the "Fab" future investment plan. Additional support was provided through the "Coup de pouce Commerce" call for projects, as well as to social and solidarity economy (ESS) stakeholders, and to the "Avenir et Soutien Tourisme" fund.

OPERATING SECTION

Expenditure

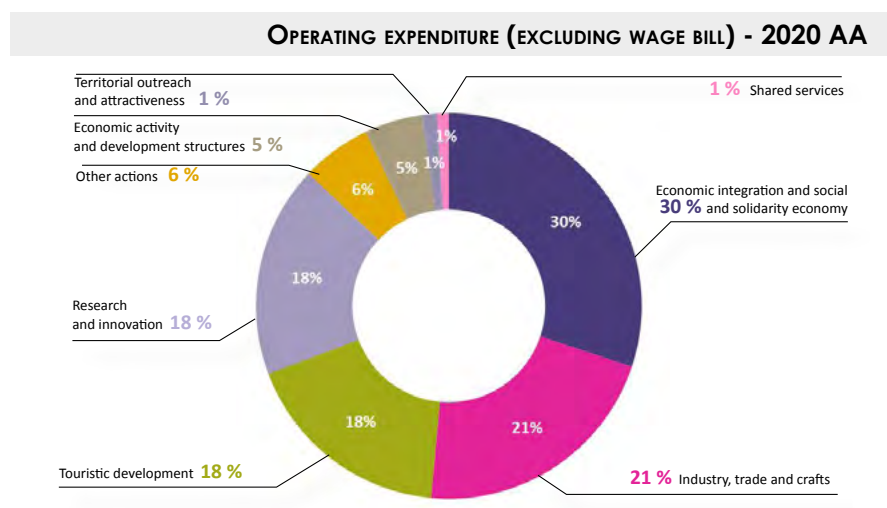
IN 2020, THE OPERATING BUDGET FOR ECONOMIC ACTION TOTALLED €60.3M, INCLUDING €10.9M DEDICATED TO THE WAGE BILL.

In the 2020 initial budget, 1 job was created within the Directorate of attractiveness and employment (DAE) to support the department for commercial activities on the public domain. In the 2020 supplementary budget, a further 5 jobs were created: 1 job to

steer the support plan targeting Parisian merchants, who were particularly affected by the health crisis and 4 adjustment jobs at the Labour exchange for public servants undergoing professional retraining.

In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at + 4 budget jobs under this function.

Not including the wage bill, **operating expenditure for economic action totalled €49.5m, €13.4m more than on the 2019 AA (i.e., 37.3%).**



Economic inclusion and social and solidarity economy are the leading item of expenditure with €14.9m in appropriations used up in 2020, 34.2% more than in 2019.

Expenditure for **employment** totalled €10.7m, €1.7m more, or +15.6%. This includes €3.9m in access to employment grants, €3.2m in grants to the Mission Locale de Paris and €3.6m in appropriations dedicated to training.

Expenditure for **the social and solidarity economy** accounts for €4.2m, including €1.4m recorded under the support plan and €1.3m to support entrepreneurship with a strong social impact.

Expenditure relating to **tourist development** stands at €8.8m in 2020. This is mainly comprised of the grant to the Paris Tourist and Convention Office (OTCP), to the amount of €8.2m, €2.9m more than in 2019. This increase is caused by the implementation of the City's support plan for tourism stakeholders. Other grants stand at €0.6m, up by €0.4m, following the roll-out of the support plan.

Expenditure for **research and innovation** stands at €8.8m, €0.1m more compared to 2019. This increase is the result of the revaluation of appropriations for innovation (+ €0.1m), caused by the implementation of the plan to support shared manufacturing workshops. An additional amount of €0.5m paid to the Forum des images compensated for the loss of revenue and increase in expenses caused by the health crisis. At the same time, the €0.5m drop in research structure expenses is caused by a decrease in the amount afforded to grants and to the "Les MonumentalEs" project at Place du Panthéon.

€10.6m was dedicated to **industry, trade and crafts**, €6.4m more than in 2019. Expenditure to **support the art trades** totalled €0.9m in 2020, compared with €0.8m in 2019 (an 18% increase), due to new expenditure by the Ateliers de Paris and expenses on the Frigos site. **Support to merchants** increased from €3.4m in 2019 to €9.6m in 2020, growing by +181% as a result of plans to support newsstands, the plan to support economic stakeholders such as markets and the distribution of 'essentials hampers'.

Spending on **economic activity and development structures** stands at

€2.4m on the 2020 AA (or + €0.3m compared to 2019). This increase is for an additional payment to Paris&Co to implement the support plan for economic stakeholders in order to tackle the health crisis. The platform for young innovative companies was also supported.

€0.6m was dedicated to the **territory's outreach and attractiveness** (- €0.2m). This expenditure has declined due to the cancellation of the Foire du Trône and the Fête à Neu-Neu caused by the health crisis.

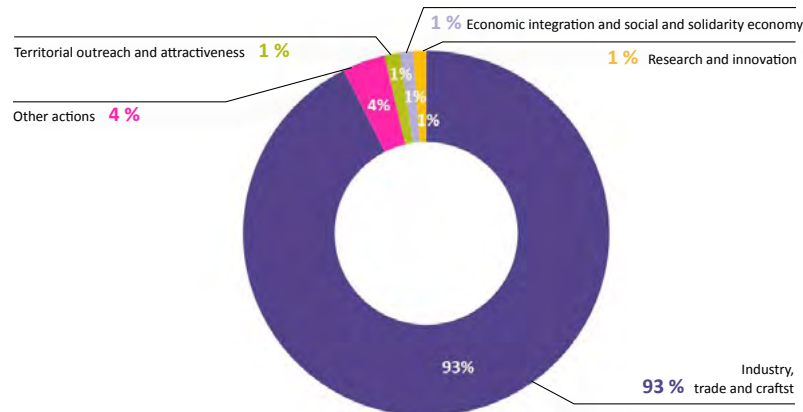
Other action accounts for €2.9m, as in 2019, and relates to grants paid to départemental trade unions.

Lastly, expenditure for **shared services** totalled €0.5m, a €0.2m decrease. Other local taxes and running costs such as trips, receptions and small works decreased due to the health crisis.

Revenue

OPERATING REVENUE RELATING TO ECONOMIC ACTION TOTALS €64.7M ON THE 2020 AA, DOWN BY 4.3% COMPARED TO THE 2019 AA (- €2.9M).

OPERATING REVENUE - 2020 AA



Revenue relating to industry, trade and crafts stands at €43.2m, €1.3m less than on the 2019 AA.

Revenue from **highway fees** have decreased by €24.5m and stand at €16.6m following the exemption from roadway, terrace, display, scaffolding and palisade fees voted as part of the plan to support Parisian companies and associations.

Income from **immovable assets rented in support of artists and merchants** (SEMAEST, Frigos) yielded €0.9m, €2.1m less in one year, due to the implementation of the City's support plan including an exemption from rent for artists living in workshops.

Income from economic activity immovable assets stands at €2.4m, €0.8m less compared to the 2019 AA.

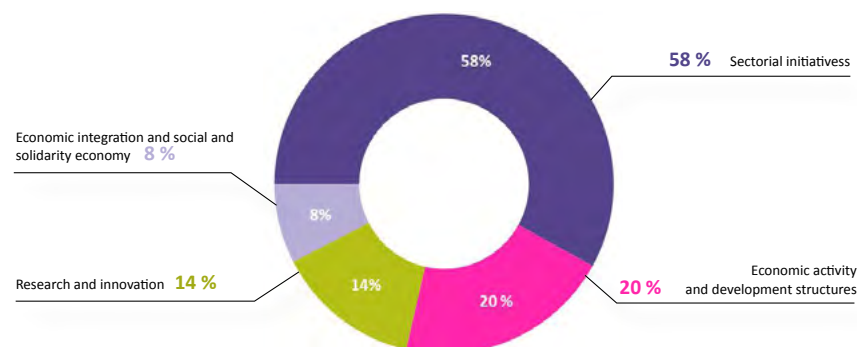
The health crisis resulted in a **loss of fees due to the cancellation of the Foire du Trône to the amount of €0.9m**

INVESTMENT SECTION

Expenditure

ECONOMIC DEVELOPMENT INVESTMENTS TOTALLED €64.8M, €37M MORE THAN IMPLEMENTED IN 2019.

INVESTMENT EXPENDITURE - 2020 AA



€37.5m was paid out for sectorial industrial, trade, crafts and tourist development initiatives, representing a €31.9m increase compared to 2019 (€5.6m implemented in 2019).

€34m in expenditure was mobilised to modernise and develop Parisian **businesses and markets**, compared with €2.9m in 2019. This sharp increase is caused by the clearing of invoices from 2017 to 2020 (€28.3m) relating to the agreement with Médiakiosk, compensated for by an equivalent operating revenue and cementing the abandonment of fees for the City.

€2.5m was paid out under the "Redémarrer autrement" scheme in order to support merchants' environmentally friendly initiatives, €2.3m to restructure and renovate kiosks and markets and €0.8m for Vital'Quartier.

€1.9m was dedicated to **touristic development**, including €1m under the tourism support and promotion plan and €0.6m paid out in grants to the Paris Tourist and Convention Office (OTCP) to modernise its digital tools and IT department.

A further €1.6m was paid out for **industrial activity and crafts**, including €1.2m to the library, record store and gallery plan.

€13.3m was dedicated to economic activity and development structures, representing a €6m increase compared to 2019.

This amount includes €4.4m in grants dedicated to trialling innovative solutions such as the testing of new products, the implementation of new processes or new organisations across the Île-de-France territory. In this respect, €4m was paid out to companies as part of the Paris Innovation Amorçage (PIA) fund and €0.4m through the “Paris Région Innovation Lab” scheme (PRIL). €8.9m was paid out in the form of grants or interest-free loans under various schemes such as support to nurseries (€7.3m, including the Arc de l’innovation, and the payment of a balance of €4m to La Sorbonne), and collaborative innovation projects (€1.6m).

€8.9m was mobilised for research and innovation, a €3.9m decline compared to 2019.

€5.3m of this amount was spent on **research**. €2.3m was paid out in the form of grants through the Research support fund, including €1.7m for the Institut Henri Poincaré extension. These payments are down by €4.9m compared to 2019 as a result of the payment in 2019 of a 3rd instalment of €4m in grants to the association Science Créativité Interdisciplinarité Recherche Éducation. €3m was mobilised as part of the “Émergence(s)”, a €0.8m increase compared to 2019.

A further €3.6m was spent on **innovation**, in the form of grants under the “Paris intelligente” scheme (€3m) and €0.6m for the digital creation school TUMO.

The authority has dedicated €4.9m in investments to the economic integration policy and to social and solidarity economy, a €3.2m increase compared to 2019.

€2.6m was mobilised in the form of interest-free loans, notably through the “Paris initiative entreprise” scheme, €2m more than in 2019. This increase is due to the payment of grants in relation with the health crisis, particularly under the ESS Patient Loan Fund, entrusted to “Paris initiative entreprise” by the City of Paris, as part of the health crisis recovery plan. As part of this recovery plan, €1m was paid out in grants to social and solidarity economy stakeholders. Lastly, €0.7m were dedicated to the Labour exchange’s works.

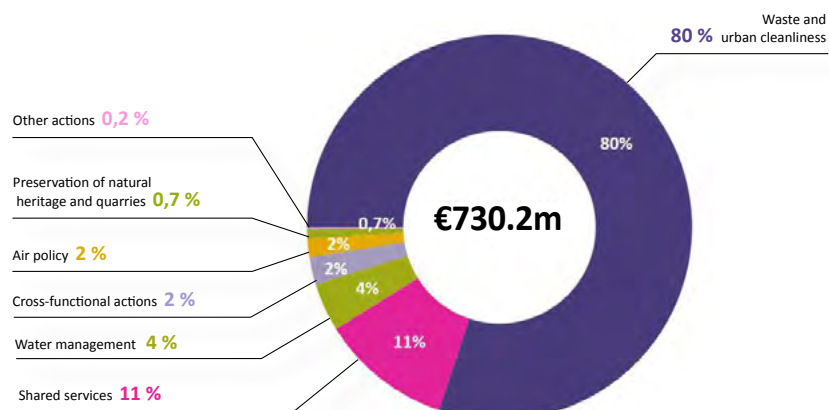
€0.2m was dedicated to the territory’s outreach and attractiveness, most of which for the Champs Élysées illuminations.

€0.1m was dedicated to **shared services** (studies and furnishings).

Revenue

In 2020, as in 2019, no revenue was recorded under the economic action function.

CONSOLIDATION BUDGET FOR THE ENVIRONMENT - 2020 AA



IN € MILLION	2019 AA	2020 AA
Operating expenditure	660,1	676,4
of which wage bill	314,1	320,2
Investment expenditure	47,7	53,8
Operating revenue	710,2	703,2
Investment revenue	2,2	13,0

OPERATING SECTION

Expenditure

FOR THE 2020 FINANCIAL YEAR, THE OPERATING BUDGET FOR THE ENVIRONMENT TOTALLED €676.4M, €320.2M OF WHICH WAS DEDICATED TO THE WAGE BILL.

In the 2020 initial budget, 14 jobs were created under the environment function.

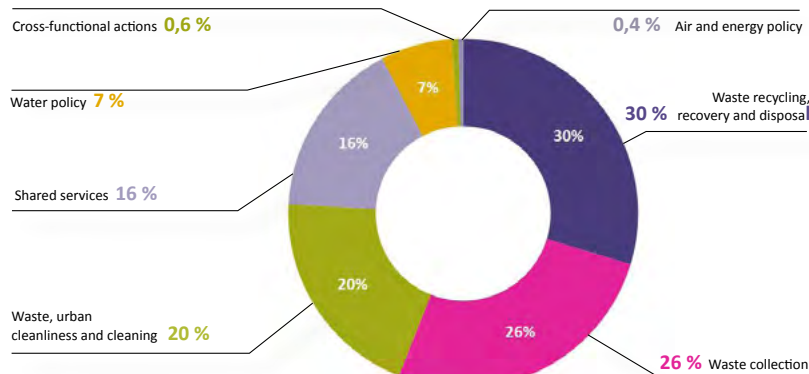
One job was created in the urban ecology agency within the DEVE to improve air quality control in Paris, a major public health issue. To this end, the City of Paris is rolling out a network of sensors in schools and early childhood centres, in partnership with Bloomberg Philanthropies and Airparif.

13 jobs were created under the Directorate of Cleanliness and Water (DPE), including 9 to open a new recycling area located on rue Hyacinth Vincent in the 14th arrondissement in addition to the pre-existing 8 recycling areas and 2 recycling points; a further 4 jobs were added to the 4 jobs created under the 2018 initial budget to improve the maintenance of 7 squares as part of their updating (Bastille, Fêtes, Gambetta, Italie, Madeleine, Nation and Panthéon).

To update the table of jobs, 217 structurally vacant budget jobs under the environment function were transferred to function 4 (Health and social action), in order to reach a balance between budget numbers and actual numbers, particularly within the DFPE.

In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at - 206 budget jobs under this function, including the subsidiary budgets for water and sanitation.

OPERATING EXPENDITURE (EXCLUDING WAGE BILL) - 2020 AA



The operating budget excluding the wage bill totalled €356.2m on the 2020 AA, €10.2m more over one year (+3%).

► The first item of expenditure contains all waste and urban cleanliness initiatives, which totalled €270.2m. Excluding contributions to the SYCTOM, this expenditure increased by 5% (+ €8.8m).

- **Recycling, recovery and waste disposal expenditure** totalled €105.8m, an increase of €1.7m compared to the 2019 AA. The amount of the annual contribution paid to the SYCTOM for waste disposal stands at €98m, €6.4m less than the entry provided for on the 2020 initial budget due to the drop in the volume of waste disposed of as a result of the health crisis. A comparison with the 2019 AA (€0.4m) is difficult from a methodical point of view given that only 11 monthly instalments had been mandated in 2019, to the amount of €97.7m. Expenditure relating to the running of recycling areas stands at €6m (- €0.5m). Lastly, operating expenses relating to the rolling out of Trilib' stations (125 stations installed at the end of 2020) stand at €1.8m;

- Spending on **waste collections** agreements accounted for €93.7m, €2.9m more than in 2019 (+3.2%, mainly caused by the application of annual price reviews provided for in said agreements). These expenses totalled €61.4m for the private collection of household waste and multi-materials (+ €2m), €15.2m for the collection of street bins (+ €0.2m), €10.8m for the collection of glass (+ €0.5m), €4.5m for the provision of collection bins (- €0.2m), €1.1m for the collection of biowaste (+ €0.3m) and €0.6m for tire collection, a stable figure;

- Spending on **cleanliness initiatives** totalled €52.7m, a €6.5m increase compared to 2019 (+14%). This increase is primarily caused by the provision of hand sanitizer in traveller stations (€3.4m) and public toilets (€0.9m), financed by appropriations to public toilets and cleanliness street furniture.

Not including hand sanitizer, public toilet service agreements required €20.8m (+ €1.7m due to contractual price reviews and the roll out of adjustable urinals); the mechanical cleaning of pavements required €15.4m (a slight €0.4m decrease); the removal of graffiti required €3.7m (stable); other urban cleanliness and cleaning services required €5.9m (a €0.7m increase following the ramping up of clandestine market clearing services); cleaning the Seine embankments required €1.5m (stable); and the cleaning agreements handled by companies for arrondissement inclusion required €1m (+ €0.1m). Lastly, initiatives to raise awareness on cleanliness cost €0.1m.

The table below shows the evolution of waste and urban cleanliness agreement expenses between 2019 and 2020.

Variation 2020 AA / 2019 AA in waste and urban cleanliness agreement expenses (€)

HEADING	2019 AA	CA 2020	EVOLUTION
Private collection of household and multi-material waste	59 435 775	61 394 978	3,3%
Collection and maintenance of street bins	15 015 978	15 193 393	1,2%
Collection of glass	10 308 974	10 846 903	5,2%
Provision of collection bins	4 711 907	4 520 781	-4,1%
Collection of biowaste	794 214	1 131 621	42,5%
Pneumatic household waste collection	504 488	573 366	13,7%
Total - Waste collection	90 771 336	93 661 041	3,2%
Public toilets (including supply of hand sanitizer)	19 138 553	25 052 629	30,9%
Mechanical cleaning	15 808 778	15 457 166	-2,2%
Graffiti removal	3 700 903	3 682 287	-0,5%
Cleaning and urban cleanliness services	5 198 337	5 948 423	14,4%
Cleaning of Seine embankments	1 438 122	1 489 476	3,6%
Neighbourhood associations	875 604	962 323	9,9%
Total - Urban cleanliness	46 160 297	52 592 304	13,9%
Disposal site and bulky items	6 470 445	6 002 517	-7,2%
Trilib'	18 741	1 787 947	NC
Total collection and cleanliness agreements	143 420 719	154 043 810	7,4%

- Lastly, €17.9m was dedicated to **shared cleanliness services**: €9,9.3m for the servicing and maintenance of vehicles and transport, €6.7m for tools and equipment (including the rental of mobile public toilets) and €1.9m for premises and land. This expenditure is down by €1.3m over one year, notably due to savings generated by the lockdown on the operation of self-run services (including - €0.5m in fuel consumption and - €0.5m in the purchase of spare parts for the vehicle fleet).

► The second item of expenditure is shared services, to the amount of €58.7m, €1.9m more than on the 2019 AA.

Fluid expenditure for administrative buildings and the City's local facilities stands at €57.7m, €2m more, including + €1.7m for electricity supply. As these services are invoiced according to a package, the impact of the drop in consumption observed during lockdowns will only be visible on the adjustment invoices for the first half of 2021.

Spending on DPE **support functions** is down by €0.1m and stands at €1m.

► The initiatives carried out for **water management** totalled €23.6m (- €0.9m). This expenditure includes the City's contribution towards the Seine-Grands Lacs territorial basin public establishment (EPTB) to the amount of €3.6m, a €0.9m decline (this amount having been transferred to the investment section). The compulsory contribution towards to the general budget under the subsi-

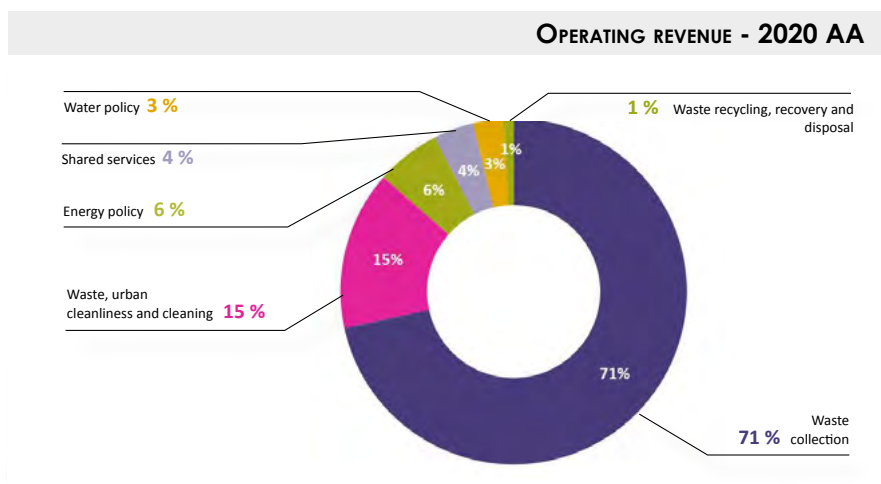
diary sanitation budget, for rainwater management, is stable (€20m).

► €2.1m was dedicated to **cross-function initiatives** (- €0.5m), including €1.4m for measures falling under the territorial climate-air-energy plan (PCAET), €0.6m was dedicated to the local household and similar waste prevention plan (PLPDMA), and €0.1m was spent on circular economy in green areas.

► Lastly, €1.2m was used to **finance studies and grants** for anti-pollution measures (+ €0.4m in one year) and €+0.4m was spent on studies to renew concessions on heating and cooling networks.

Revenue

OPERATING REVENUE UNDER THE “ENVIRONMENT” FUNCTION STANDS AT €703.2M, €7M LESS THAN ON THE 2019 AA.



► Revenue from waste and cleanliness totals €614.2m, €2.6m less over one year.

- Revenue from **waste collection** accounts for €503.1m, including €493.3m from the **tax on household waste disposal (TEOM)**, €6.1m more compared to the 2019 AA (+1.2%) due to the dynamism of tax bases. Income from **non-household waste fees (RDNM)** stands at €9.5m, representing a €8.9m decline over one year (-49%) following the six-month exemption voted as part of the plan to support Parisian companies and associations. This is supplemented by revenue from **other collection services** to the amount of €0.3m (services provided at the request of third parties).
- Urban cleanliness and cleaning accounts for €104.4m in revenue, including €104.1m from **sweeping tax** (+ €0.3m) and €0.3m from **other urban cleanliness services** (re invoicing of the cost of removing illegal posters and markings and fly tips)).
- **The waste recovery policy** generated €6.6m in revenue in 2020 (+ €0.2m), including €5.8m paid by the SYCTOM for aid and overpayments of monthly fees.
- Lastly, **properties and land** generated €0.1m in revenue.

► The energy policy accounted for €40.8m in revenue, €0.8m less compared to the 2019 AA.

The fees and repayment of costs paid by gas and electricity concession holders stand at €31.5m (- €0.9m, as a result of the drop in consumption observed between 2018 and 2019). Heating and cooling network concession holders generated €9.3m in revenue (+ €0.1m).

► Revenue generated by shared services amounted to €26.4m, mainly for **building fluids**, and corresponds to the repayment of expenses centralised on the general budget by special arrondissement statements. These repayments total €26.1m, €3.4m less than on the 2019 AA as a result of the drop in consumption during the lockdown (providers invoice the city based on a package rate, which is revised the following year, whereas the city re-invoices arrondissement town halls based on their actual consumption, causing a difference between the evolution of fluid expenditure and fluid revenue).

► Revenue recorded for water management initiatives accounted for €19.9m, a €0.1m increase. This revenue is comprised of the **reimbursement for staff provided** to the interdépartemental union for Parisian agglomeration sanitation (SIAAP) and to the interdépartemental institution of Seine basin dams and reservoirs (IIBRBS) to the amount of €4.4m, the reimbursement of expenses paid by the **subsidiary budgets for sanitation and water** to the amount of €7.5m and of fees paid by Eau de Paris for property and land provided to the amount of €5.5m (+ €0.1m), and the payment of €2.5m in **excess from the subsidiary water budget** to the general budget

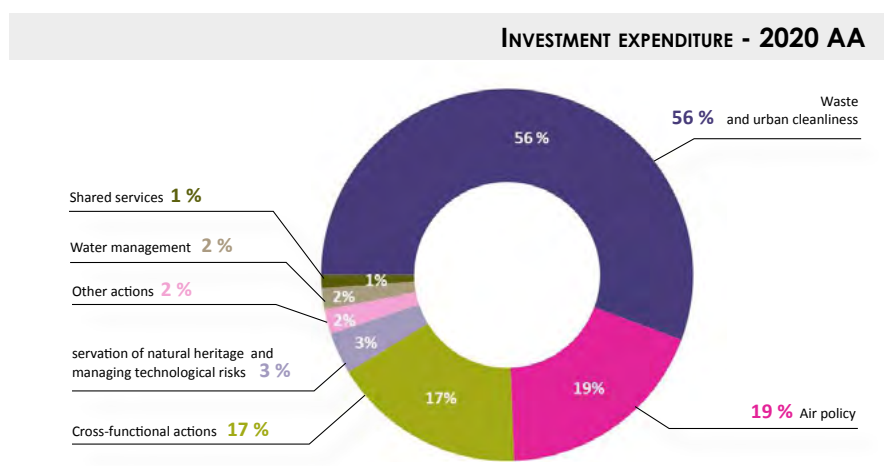
► Quarries generated €1.4m in revenue (- €0.2m) made up of participations from départements and municipalities towards operating expenses (€1m) and the invoicing of maps and information (€0.4m).

► Lastly, the joint financing received under the territorial climate-air-energy plan (PCAET), under the Waste and Circular Economy Objectives Contract (CODEC) and under the European project, LIFE, on road surfaces totalled €0.5m (- €0.2m).

INVESTMENT SECTION

Expenditure

UNDER THE 'ENVIRONMENT' FUNCTION, €53.8M WAS INVESTED IN 2020, €6.1M MORE THAN IN 2019 (€47.7M).



In 2020, €29.9m was invested in the waste management and urban cleanliness policy, up by €8m compared to expenditure recorded in 2019.

This investment expenditure was mainly dedicated to the following initiatives:

- The acquisition of vehicles for €16.3m in 2020, €5.7m more than in 2019. This increase is tied to the vehicle order and delivery cycle as well as to the reduction in the number of diesel vehicles (delivery of NGV skips in 2020); the vehicle fleet remains constant;
- €8.3m was spent on works to construct and rehabilitate garages, a €5m increase compared to 2019. The main garages concerned include those in Paris Sud-Ouest, Clichy and Issy les Moulineaux;
- Recycling, recovery and waste disposal expenditure totalled €2.2m, very close to the 2019 financial year (€2.3m). This expenditure is mainly for the progressive rolling out of "Trilib" stations (€1.4m): 125 stations have been deployed at the end of 2020;
- Investments to improve waste collection total €1.9m, a €0.7m decrease. This expenditure is primarily used to install new CYBEL street bins, to further fight rat infestation, for a cost of €1.3m;
- Expenditure for the acquisition of material, the renovation of premises and the maintenance of call booths accounts for €1.2m

€10.1m was dedicated to the air policy, through support towards the development of clean vehicles, €3m more than in 2019. This support is provided through grants and financial aids to develop clean vehicles. In 2020, this increase relates the growing success of these aids, and in particular the increase in electric bike purchase requests after the first lockdown.

€9.1m was spent on cross-function initiatives under the territorial climate-air-energy plan (PCAET), representing a €4.2m decrease compared to 2019.

As regards public buildings, expenditure relating to the territorial climate-air-energy plan is divided as follows :

- €5.8m to modernise public facility thermal centres (€3.9m less than in 2019). This drop is mostly the result of the health crisis and the lockdown which slowed the programme's implementation
- €0.8m to continue modernising ventilation systems in public facilities (€0.9m compared to 2019). This drop is also caused by the slowdown of works during the first lockdown;
- €2.3m of works in administrative buildings (a €1.3m increase compared to 2019). This increase is attributable to works to renovate the Pavillon d'Arsenal's carpentry in order to improve the building's energy performance.

Expenditure relating to green areas totalled €0.2m, down by €0.7m compared to 2019.

€1.9m was spent on preserving natural heritage and managing technological risks, sthis was primarily marked by the implementation of soil reinforcement operations (€2.2m in 2019).

ENVIRONMENT

€1.2m was spent on water management initiatives. This amount is stable compared to 2019. For the most part, this expenditure results from the payment of a grant to the Seine-Grands Lacs basin territorial public establishment (€0.9m).

€1m was spent on other environmental initiatives most of which for urban agricultural projects (€0.7m).

Lastly, expenditure relating to shared services totalled €0.6m in 2020, €0.1m less than in 2019.

Revenue

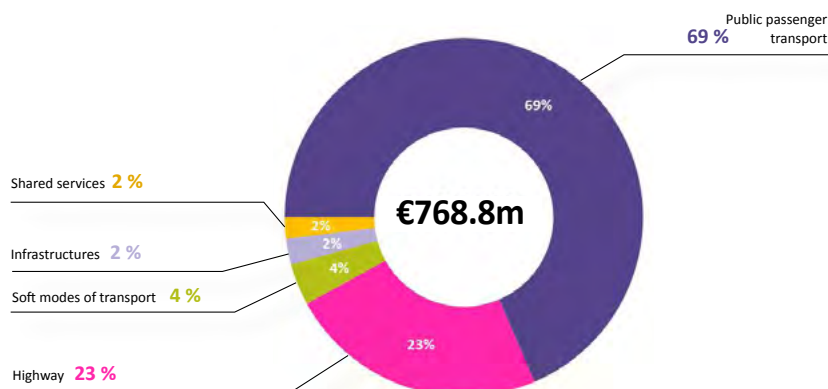
REVENUE FROM THE 'ENVIRONMENT' FUNCTION TOTALS €13M, A €10.8M INCREASE COMPARED 2019.

€12.6m is adjustment revenue from the Paul Meurice project. Following errors in amounts charged to the budget, 3 mandates issued in 2015, 2016 and 2017 were cancelled by the issuance of 3 revenue headings and were once again issue under chapter 923 for an equivalent amount.

€0.4m were collected in the form of sales proceeds from the sale of vehicles to be destroyed or recycled

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CONSOLIDATED BUDGET FOR TRANSPORT - 2020 AA



EN M€	2019 AA	2020 AA
Operating expenditure	611,0	614,3
of which wage bill	67,9	69,1
Investment expenditure	171,4	154,5
Operating revenue	339,9	263,6
Investment revenue	8,0	8,7

OPERATING SECTION

Expenditure

ON THE 2020 AA, THE OPERATING BUDGET FOR TRANSPORT TOTALLED €614.3M, INCLUDING €69.1M FOR THE WAGE BILL.

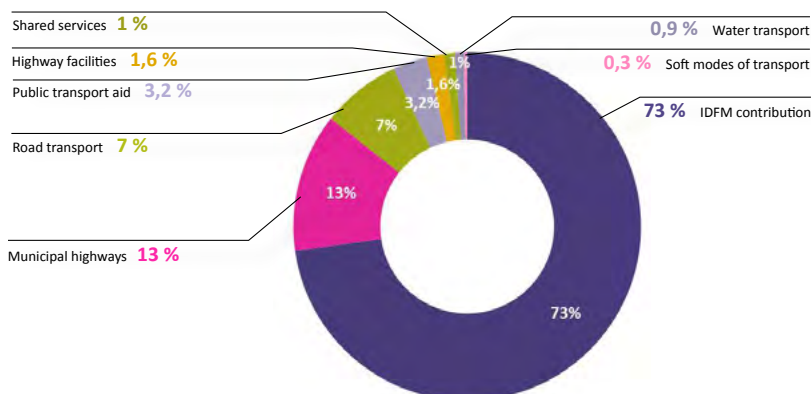
On the 2020 initial budget, 2 jobs were created under the Directorate of highways and travel (DVD) to improve the bicycle mission and to monitor the participatory budget, with a large number of projects on this budget concerning the DVD.

On the 2020 supplementary budget, 3 job creations were recorded within the DVD: 1 job to support the eco-mobility aid sector in order to reduce application waiting times and 2 to bring bus stations up to accessibility standards in accordance with decree 2006-1658 of 21 December 2006. Ultimately, 700 highway worksites will need to be carried out to meet these standards.

In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at + 2 budget jobs under this function.

NOT INCLUDING THE WAGE BILL, OPERATING EXPENDITURE FOR TRANSPORT TOTALLED €545.2M ON THE 2020 AA, 0.4% MORE IN ONE YEAR (+ €2.1M).

OPERATING EXPENDITURE (EXCLUDING WAGE BILL) - 2020 AA



- **The contribution made by Île-de-France Mobilités (IDFM)** is still the main item of expenditure, representing a total of €396.6m (+ €4.5m compared to the 2019 AA, a 1.14% increase as in previous years). This participation represents 30% of public contributions towards Île-de-France transport operating expenses.

- **Municipal highway expenditure stands at €79.1m on the 2020 AA, down by €2.4m.**

This amount includes **surface parking** expenditure to the amount of €36.9m, in decline by €5m due to lesser traffic during the successive lockdowns. Expenditure relating to impoundments for obstructive parking (€8.7m) has dropped by €4.8m (-36%). The amount of expenditure dedicated to payment methods (maintenance of parking meters, bank card terminals; mobile phone payments) totals €5.4m, €1.7m less than in 2019. Expenditure for coach parking in parks under concession (€3.1m) have dropped by €2.2m (-42%), caused by a decrease in tourist traffic. Expenditure relating to the ANTAI's (Agence nationale de traitement automatisé des infractions or National agency for automated offence processing) processing of post-parking fees has declined by €1.8m and stands at €3.1m, in line with the drop in revenue from the processing of compulsory prior administrative appeals (RAPO). Lastly, expenditure relating to parking inspection contracts stands at €16.6m, up by €5.5m to implement inspections using automatic registration plate reading (LAPI), which was rolled out in March 2021.

Expenditure for municipal highway works and maintenance stands at €21m, a €4.2m decline in one year. Spending on highway repairs, further to **accidents caused by unidentified third parties** (€2.6m), has dropped by €3m compared to the 2019 AA, a financial year that was marked by a large amount of damage caused during demonstrations. Expenditure on electrical charging stations (Velib' stations and recommissioning of Autolib' stations) totalled €2m, a slight €0.3m decline due to the drop in electric consumption generated by use of this service. Expenditure dedicated to highway plans (€0.1m) have dropped mechanically by €0.8m, due to their transferral to the investment section. This transfer also explains the €0.2m decrease observed in works on behalf of third parties (€1.3m in residual expenditure on the 2020 AA, including €1m in adjustments for old revenue). Other expenditure dedicated to maintaining the highways (pavements, signage, tunnels, ring road) is stable at €15m.

Highway facilities account for €8.8m on the 2020 AA a €0.9m increase due to the rolling out of "box bicycle" deposits (€1.1m). Expenditure dedicated to maintaining traffic lights as part of the energy performance contract totals €7.5m. Expenditure to maintain urban property is also stable at €0.2m.

Lastly, expenditure relating to **parking concessions** stands at €12.4m. This item, which has risen by €6.2m, is comprised of all appropriations relating to the management of parking areas operated by concession holders, and notably the payment of additional office and parking area taxes, as well as land taxes (including some remainders from 2019).

- **Expenditure relating to means of transport by road totals €40.3m**, down by €2m compared to 2019.

The contribution to the **Autolib' Vélib' Metropole Union** (SAVM) totalled €23.8m. The proportion of this contribution paid for the Velib' service stands at €20.2m (+ €0.7m). The proportion paid as part of the provision made for the dispute with the holder of the Autolib' agreement, which was terminated in 2018, totals €3.6m.

Expenditure for transport for **persons with reduced mobility** (PRM) stands at €11.3m, a €1.5m decline following a drop in the service's activity.

In addition, expenditure relating to the operating of the three crossways run by the RATP (local neighbourhood stops) has dropped by €1.1m and stands at €5.2m.

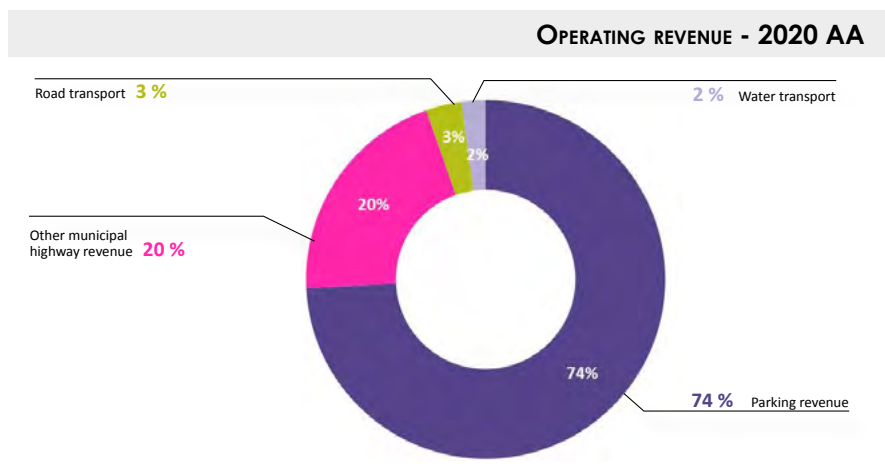
- **The cost of the measures implemented to promote Parisian youth mobility** stands at €17.2m, €2.6m more over one year. For the 2020-2021 school year, the City's reimbursement of Imagin'R packages for middle and high school students was raised to 100% (compared to 50% the previous year) in order to align with that for 4- to 11-year-old pupils (with the cost of the Imagin'R junior package having been reduced to €24 per year). These free measures also benefit adult students with a disability who are under 20 years old, as well as to young Parisians aged 14 to 18 who have a mechanical Velib' subscription.

In addition, the city's **contribution towards the "Imagin'R scolaire" scheme** targeting students with grants was renewed to the amount of €0.4m

- **Expenditure for shared services stands at €5.5m**, down by €1.1m. In particular, this includes €2m for services provided by municipal vehicle transport and fuel expenses (- €0.5m) and amicable third-party compensation for accidental damage for which the City of Paris is liable (€1.4m, down by €0.3m). Other expenditure (user information, property expenses, studies, grants) account for €2.1m, a €0.3m decline.
- **Expenditure relating to waterway stations and infrastructures** totals €4.6m, including €2.2m to maintain and operate canals (- €0.3m), €2.2m to pay taxes and contributions (+ €0.6m) and €0.2m for shared service.
- **Soft modes of transport** benefitted from €1.5m in 2020, including €0.9m for the "Paris Respire" operations (- €0.1m).

Revenue

OPERATING REVENUE FROM TRANSPORT STANDS AT €263.6M, €76.3M LESS THAN ON THE 2019 AA (OR -22%).



► **Municipal highway revenue stands at €249.4m**, down by €75.1m in one year.

Revenue from surface parking totals €195.7m, a €65.5m decline.

This amount includes **€175m in parking revenue**, which has suffered a €61.9m decline compared to the 2019 AA as a result of the free parking measures implemented from March to May during the first lockdown.

Impoundment revenue collected by the City following the Paris statute reform has dropped by €3.5m in one year and stands at €20.7m, based on around 141,000 impoundments.

Parking concession fees total €35m, €9.8m less due to the drop in concession holders' turnover and the end of several concession agreements (particularly Notre-Dame and Cardinet).

Lastly, highway heritage revenue stands at €18.7m, a slight €0.1m increase in one year. This revenue is comprised of €7.5m in public domain occupancy fees (-€0.4m), €5.6m in petrol station fees (+€0.8m), €3.2 in revenue collected through the services of the City of Paris' material testing laboratory (LEM) and the street testing laboratory (LER), and €1.6m in operating revenue clearances for works on behalf of third parties (- €0.4m).

► **Revenue relating to road transport stands at €8.5m (- €1.1m).**

Income from the public transport activity for persons with reduced mobility represents €7.9m, a €1.1m decline, due to a drop in the number of orders placed by users.

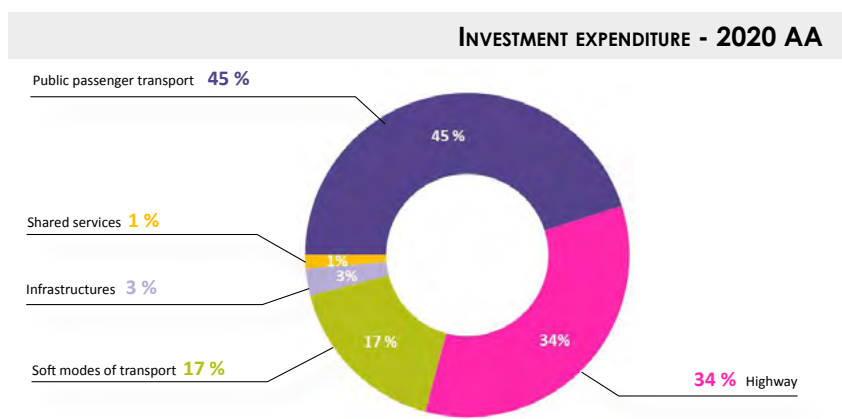
Grants paid by IDFM to finance the operation of crosswalks are stable at €0.6m.

► **Lastly, as in 2019, water transport accounts for €5.7m in revenue**, from repayments and other income collected by Eau de Paris (€4m), navigation fees and public water domain occupancy fees (€1.7m).

INVESTMENT SECTION

Expenditure

€154.5M IN INVESTMENT APPROPRIATIONS WAS DEDICATED TO TRANSPORT IN 2020, REPRESENTING A €16.9M DECLINE COMPARED TO THE 2019 FINANCIAL YEAR.



Rail transport accounted for **€67.5m** of investment expenditure in 2020, compared with €74.2m in 2019.

In this context, expenditure for major underground lines represented a total of €49.7m. This was primarily to finance the extension of line 14 to Saint-Ouen town hall, for a total of €40.1m. The cost of extending line 11 to Rosny-Bois-Pernier station totalled €8.4m. €4m was dedicated to creating high-quality service lines along the Seine's high platforms.

A further €12m was spent on tramways in 2020, compared to €17.1m in 2019. €7.6m was mobilised for the T3 tramway line, including €5.2m on extension works between Porte d'Asnières and Porte Maillot, and €1.4m for the extension between Porte de la Chapelle and Porte d'Asnières, a €9.9m decline compared to 2019 due to the completion of works. €4.3m was also mobilised to continue works on the T9 linking Paris to Orly, which was commissioned in April 2021.

In 2020, €1.8m was spent on train stations, compared to €8.3m in 2019. This gap is attributable to the completion of works to create a bypass in order to improve the traffic flow between Parisian train stations by setting up a bus network, notably around Montparnasse station and Lyon station.

Road transport benefitted from **€2.1m** in spending in 2020 compared to €8m in 2019. These appropriations were used to maintain bus lanes and urban property dedicated to bus networks. The 2019 financial year was characterised by significant works to restructure the network.

Highway expenditure amounted to €52.6m in 2020, compared to €45.4m in 2019.

Expenditure relating to highway heritage amounted to €41.7m, compared to €45m in 2019. Recurrent expenses to maintain roads, pavements and carpets amounted to €14m (stable compared to the 2019 financial year). Maintaining and operating the ring road required €5.2m (including €3.5m for maintenance), compared to €10.1m in 2019. This decrease is due to less interventions for lighting, signage, roads, or artwork on the ring road, as a result of the health crisis. Works to bring road tunnels into compliance resulted in €9.1m in spending, with significant effort being required for the Courcelles tunnel (17th arrondissement). Works on the highway on behalf of third parties required €7.6m. Lastly, maintaining bridges and artwork required €3.3m in spending, including €0.8m for Pont de Sully (5th arrondissement).

Expenditure for **surface parking** amounted to **€10.9m**, compared with €0.4m in 2019. This increase was caused by the modernising of parking meters and the improvement of dematerialised means of payment (€7.4m in 2020, compared to under €0.01m in 2019). €1.1m was spent on scooter parking. €1.9m was also spent on works to extend the Foch pre-pound in the 16th arrondissement.

Investment appropriations for soft modes of transport amounted to €25.9m in 2020 (compared to €38.3m in 2019).

Expenditure for bicycle lanes totalled €18m in 2020, compared with €33.3m in 2019. This decline is attributable to the completion of works on the previous term's programme, such as the lane through the Champs-Élysées, rue de Rivoli and Place de la Bastille.

A further €5.3m was dedicated to continuing to create new 30 km/h speed limit zones.

The installation of furniture to park bicycles was allocated €1.9m. Lastly, improving walkways for pedestrians and persons with reduced mobility mobilised €0.7m.

Stations and canals were afforded €4.1m in investments, compared with €4.4m in 2019.

Maintenance of canals mobilised €4m in 2020 (compared with €4.3m in 2019), including €0.8m to secure the vaulted ceiling of the tunnel under Saint-Martin canal.

Expenditure for shared services amounted to €2.1m in 2020, compared with €0.8m in 2019. This increase is due to works on highway premises.

Lastly, the transport of goods required €0.1m, most of which to implement the urban logistics charter.

Revenue

€8.7m in investment revenue was collected from the transport sector in 2020, compared to €8m in 2019

€6m was collected as part of refunds for highway operations carried out on behalf of third parties.

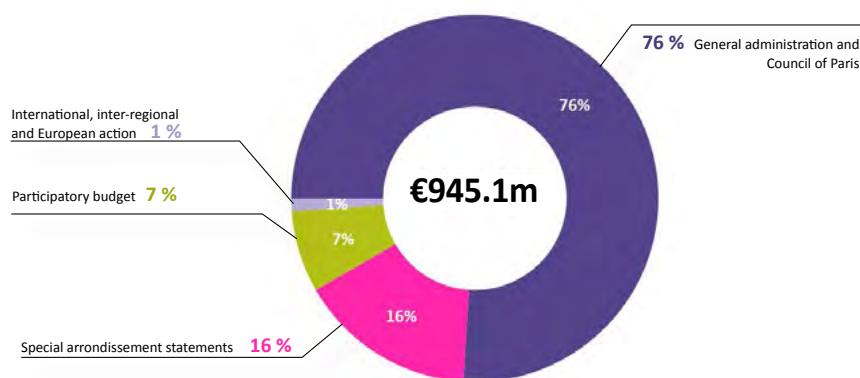
€0.9m was paid by Île-de-France Mobilités to finance the works to restructure the bus network.

€0.6m in down payments were paid by Île-de-France Mobilités in order to finance the generalisation of 30 km/h speed limit areas.

Furthermore, as the manager of the project to extend the T3 between Porte de la Chapelle and Porte d'Asnières, and in accordance with the 2012 financing agreement, the City of Paris received €0.6m from the State, the Île-de-France region and the RATP.

Lastly, a balance of €0.3m was paid by Île-de-France Mobilités in order to complete the works to create the bypasses around the Parisian train stations.

CONSOLIDATED BUDGET FOR GENERAL SERVICES - 2020 AA



This sheet sets out the general service appropriations broken down by public policy, particularly dedicated to general administration, to the deliberative assemble and to special arrondissement statements, to international action and to European fund management. Appropriations which cannot be broken down, relating to taxation and financial operations, are described under Section II of this report.

IN € MILLION	2019 AA	2020 AA
Operating expenditure	779,9	786,0
of which wage bill	402,2	401,3
Investment expenditure	176,8	159,1
Operating revenue	176,4	182,6
Investment revenue	1,6	2,0

OPERATING SECTION

Expenditure

The 2020 initial budget included 31 job creations: 29 under the general budget and 2 under the subsidiary budget for Municipal Automobile Transport (TAM).

This included, among others, 4 administration jobs within the Directorate for democracy, citizens and territories (DDCT) to record births in some maternity hospitals where this task was previously carried out by the Assistance Publique - Hôpitaux de Paris (AP-HP). One job was created within the Directorate of information and communication (DICOM) to reinforce the protocol department which is experiencing a growing planned workload (major events, protocol, exhibitions and public domain occupancy). Within the Directorate of real estate, logistics and transport (DILT), 1 technical manager job was created to reinforce the development department, whose activity has intensified following the reform of the real estate function. 11 general logistics officer support jobs were also created. Two jobs were created within the Municipal Automobile Transport (TAM) department in order to accommodate the Directorate of Cleanliness and Water's (DPE) pavement cleaning machine workshop within the Ivry garage. Two jobs were created at the Directorate of Human Resources (DRH) to manage the collective personal risk contract implemented for public servants, as well as 2 jobs to anticipate the Agence de mission (AMI), a department which aims to meet the temporary needs of directorates, by providing available resources and internal skills.

Six technical jobs were created within the Directorate of Information Systems and Digital Technology (DSIN) due to the significant increase in requirements in the field of information technology, digital technology and telecommunications. Improving cybersecurity, network teams, the operation of the Data Center building, and the hosting of the private cloud are priority areas targeted by these creations.

The 2020 supplementary budget created 224 jobs and 180 months of administrative support under the general services function. To meet the requirements of the decree of 5 March 2019 on the reclassification of territorial public servants declared unable to perform their duties, 200 fiscal bases were created within the DRH in order to assign public servants retraining during their reclassification preparatory period (PPR). Two jobs for the administrative management of these public servants were also created.

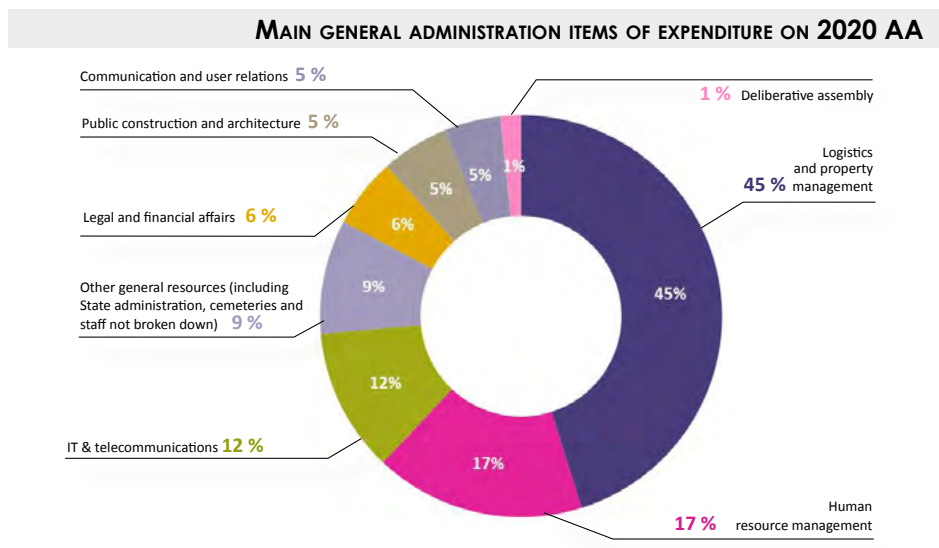
180 months in administrative deputy reinforcements were created within the DDCT for arrondissement town halls, and particularly for the identity documents department, along with two jobs for the user relations department to support its restructuring and development. A job was also created on the ethics committee.

At the DRH, an additional 10 jobs were voted for the AMI, which gives assignments to managers undergoing professional retraining. With one transfer and the two jobs already created on the 2020 initial budget, the AMI now has 13 budget supports. To ensure the teams' transition, 5 functional jobs were created among staff not broken down according to policy.

At the Directorate of Public Construction and Architecture (DCPA), 3 jobs were created to carry out necessary works to deploy the fleet of electric utility vehicles. In total in 2020, including other movements (redeployments, transformations, transfers), the balance of budget movements on the initial and supplementary budgets stands at 219 budget jobs under this function.

► ADMINISTRATION'S GENERAL EXPENDITURE

Excluding the wage bill and Special Arrondissement Statements (ESA), the operating budget dedicated to the **Administration's general expenditure** totalled €237m, representing a 4% increase (€9.3m) compared to the 2019 AA.



- The leading item of expenditure is **logistics and real estate** management, to the amount of €106.9m, €29.9m more than on the 2019 AA.

The main increase is attributable to clothing expenditure (€27m, + €21.3m over one year) which was mobilised to purchase masks and personal protective equipment to address the health crisis, in addition to other budget lines (notably under the Social Action function) for a total of €49.4m. The crisis also impacted expenditure for the cleaning of administrative premises (€9.4m), which increased by €1.6m as a result of reinforced cleaning protocols and the provision of hand sanitizer. Conversely, expenditure on maintenance works and the upkeep of municipal buildings (€2.9m) are down by €1.4m due to delays caused by the first lockdown and the postponement of some operations until 2021. Postage expenditure (€2.2m) has also declined by €0.7m.

Expenditure dedicated to administrative building rent, expenses and taxes totalled €59m, a €9.2m increase over one year, including €6m for new leases (or extensions) at the end of 2019 with full-year effects in 2020.

Other logistics expenditure includes travel services ordered from municipal automobile transport (€5.4m), appropriations for moving into premises (€0.3m) and services relating to the re-use of furniture, to reprography and elections (€0.7m).

- **Human resource management** expenditure amounted to €40.1m, €7.2m less than in 2019.

In particular, the authority's training expenditure (€9.7m) has dropped by €3.4m following the postponement or cancellation of sessions due to the health crisis. Appropriations dedicated to financing supplementary leave (€1.1m) are also in decline by €2m due to the cancellation of holidays planned for the summer of 2020. Expenditure relating to coverage of work-related accidents and occupational diseases (€3.2m) have dropped by €1.3m, due to a slump in the number of commuting and service-related accidents.

Welfare schemes for public servants account for €20.6m (- €0.1m). This expenditure includes €12.4m in grants to the social action association for City of Paris and Département of Paris staff (ASPP) and €6.7m for the association managing welfare schemes for Parisian administration staff (AGOSPAP). An addition €1.5m was spent on social benefits for public servants.

The **payment and pensions and annuities** totalled €3.7m (- €0.6m). Lastly, €1.7m was spent on support services, on organising competitions and recruitments, on internal communication and the management fees for the agreement with Pôle emploi (employment centre) for unemployment compensation for the Parisian authority

- Expenditure for **information technology and telecommunications** totalled €27.4m, up by €0.8m over one year. In particular, the development of teleworking as from March had an effect on telecommunications expenditure (€6.8m, €0.4m more). Appropriations required for application management (€7.7m) are also on the rise (+ €0.7m) due to the growth of the application base and the development of the "Paris Classe Numérique" programme. Expenditure for information technology infrastructures (servicing and maintenance of networks and hardware) has dropped by €0.2m to €12.7m. Lastly, appropriations to the Directorate of Information Technology System and of Digital Technology's (DSIN) support services amount to €0.1m.
- The expenditure allocated to the **maintenance and upkeep of public constructions** amounts to €12.9m, a €1.2m increase. The amount dedicated to maintenance contracts (€6.9m) has increased by €1.3m (+24%) as a result of the centralisation, within the Directorate of Public Constructions and Architecture, of appropriations for maintenance and technical installation inspections of municipal buildings which were recorded under other directorates. Other expenditure includes the purchase of services from TAM (€2m), building upkeep works (€1.7m), and the provision of small equipment for workshops (€1.3m).
- All expenditure relating to the Parisian authority's **legal and financial affairs** amounts to €13.3m (after neutralising the operation relating to Porte de Versailles, balanced in expenditure and revenue), a €1.6m increase compared to 2019. Expenditure dedicated to the public service for access to law totals €2.2m (- €0.2m). Litigation proceeding expenses (€1.5m) have decreased by €0.6m, in line with the drop in judicial activity during the health crisis. Judicial sentences amounted to €2.8m in 2020 (+ €1.5m). Insurance fees (€1.8m) have dropped by €0.8m following the entry into force of new contracts. Expenditure relating to the conclusion of public tenders and the management of concessions amounted to €3.9m, including €2.7m in land taxes (+ €1.6m following adjustments regarding the previous fiscal year). Lastly, other expenditure (studies, honoraria, documents, printing) amounted to €0.7m (+ €0.1m).
- **Communication expenditure** stands at €6m, down by €4m over one year. The health crisis' consequences had an impact on expenditure on protocol activities (€0.3m on the 2020 AA, down by €0.8m), as well as on expenditure dedicated to organising events (€3.1m) which dropped by €0.7m, whilst ensuring that major annual events could be maintained (Paris Plages, 14th July firework display, 25 August commemorations, Christmas entertainment, 31st December show), in rearranged formats in some cases. Expenditure for integrations and the purchase of areas to promote the municipality's action (€0.1m) recorded a €1.7m decline as a result of the return of the municipal display scheme which had been suspended in 2019 as part of the contract's renewal. Other expenditure to promote Paris' action (magazines and printed materials, digital communication, etc.) amounted to €1.8m (- €0.4m). Other communication expenditure (Town Hall exhibition, Paris Rendez-vous boutique, support services) total €0.8m (- €0.3m).
- **Cemetery management** expenses stand at €4.7m on the 2020 AA. This expenditure includes €3m to manage and maintain cemeteries (+ €0.2m) and €1.6m for the funeral mission, which monitors funeral delegations (Père Lachaise funeral directors and crematorium).
- Other expenditure relating to the **group of elected representatives and the functioning of the Council of Paris** accounts for €3.9m, a €0.6m decline. In particular, this includes the grant paid to the elected representatives' retirement fund (€2.8m), elected representatives' travel expenses (€0.3m) and training expenditure (€0.1m). Miscellaneous operating fees (recording, transcription, stenotypy, etc.) accounts for €0.3m.
- **Expenditure relating to user and association relations** stand at €2.9m, a €0.8m decrease caused by the health crisis (-€0.5m) and the transferral of grants to associations funded by Mayor funds to special arrondissement statements (-€0.3m). €1.6m was dedicated to supporting associative life (- €0.2m), €0.5m to inhabitant consultations (- €0.3m) and €0.7 to user reception.
- Finally, **other general means** reached €18.9m on the 2020 AA
In particular, this heading includes €11.6m in appropriations required for accounting operations to adjust revenue (receivables written off, cancellation of securities from prior periods, clearing of administrative deficits), down by €9.9m over one year due to the improvement of the authority's accounting quality. The contribution paid to the national retirement fund for local authority public servants (CNRACL) for staff retirement expenses ensured by the state has dropped by €0.3m and stands at €1.7m. Bank fees relating to loans and payment methods (€2.2m) have increased by €1.2m due to the increase of the amount loaned in 2020. Expenditure relating to assistance with the management of projects to modernise the city's information systems amounts to €1.8m, a €3m decline following the transfer of these appropriations to the investment section. Lastly, expenditure dedicated to the State's general administration functions (civil status and elections) stands at €1.6m, representing a €0.4m increase over one year, caused by the organisation of the municipal elections in March and June 2020.

► ALLOCATIONS TO SPECIAL ARRONDISSEMENT STATEMENTS (ESA)

Operating allocations paid to special arrondissement statements total €142.6m, €0.6m less than on the 2019 AA.

As regards special arrondissement statements (ESA appendix), the amounts implemented by arrondissement town halls stand at €132.2m, representing a €8.5m decline

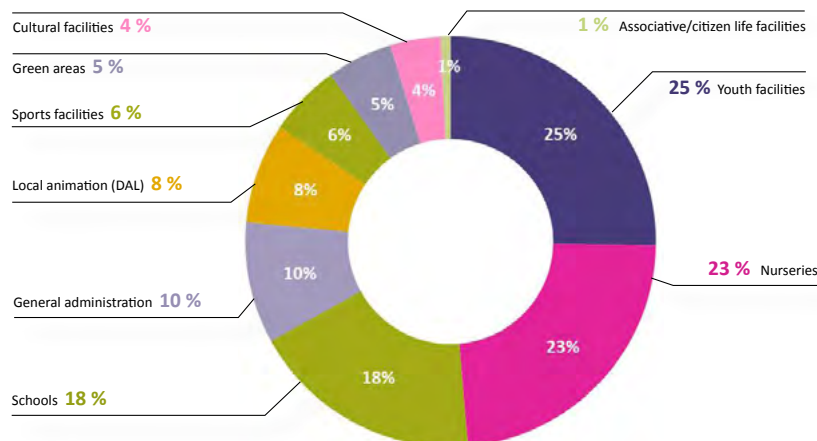
In particular, this downwards trend is attributable to the sharp drop in fluid (- €5.3m, or -17% compared to the 2019 AA) and food expenditure (- €2.3m), as a result of the closure of local facilities during the 2020 fiscal year (notably - €3.3m from nursery and elementary schools). Expenditure relating to local activity and the functioning of neighbourhood committees is also in sharp decline as

a result of the health crisis (-18% compared to the 2019 AA).

These declines are partly compensated for by the marked increase in cleaning expenditure (+ €3.2, i.e., +34% compared to the 2019 AA), in line with efforts to reopen local facilities to the public.

Thus, the local management allocation to ESAs amounted to €121.8m, compared with €127.9m in 2019. Expenditure relating to the local activity allocation dropped by -18.4% and stand at €10.5m, compared with €12.8m in 2019.

BREAKDOWN OF OPERATING GRANT EXPENDITURE PAID TO SPECIAL STATEMENTS ON 2020 AA



► INTERNATIONAL, INTER-REGIONAL AND EUROPEAN ACTION

The budget allocated to **international relations** stands at €5.1m, down by €1.7m compared to the 2019 AA.

Expenditure dedicated to Paris' **diplomatic action** totals €2m (- €0.2m). International grants are stable at €1.7m (including €0.6m for Association Internationale des Mairies Francophones and €0.4m in the form of emergency aid). Expenditure relating to event organisation (New Year ceremonies at the Town Hall, Festival of Europe, Zero Carbon forum) and the operation of the international relations delegation stands at €0.3m (- €0.2m).

Grants paid out as **public development aid**, mostly in the field of health and the fight against AIDS, are stable at €1.9m, while the decentralised cooperation initiatives carried out in partnership with other cities were suspended due to the pandemic (- €0.2m). Grants relating to international collection and cleanliness initiatives financed by the 1% waste scheme are also stable at €0.2m.

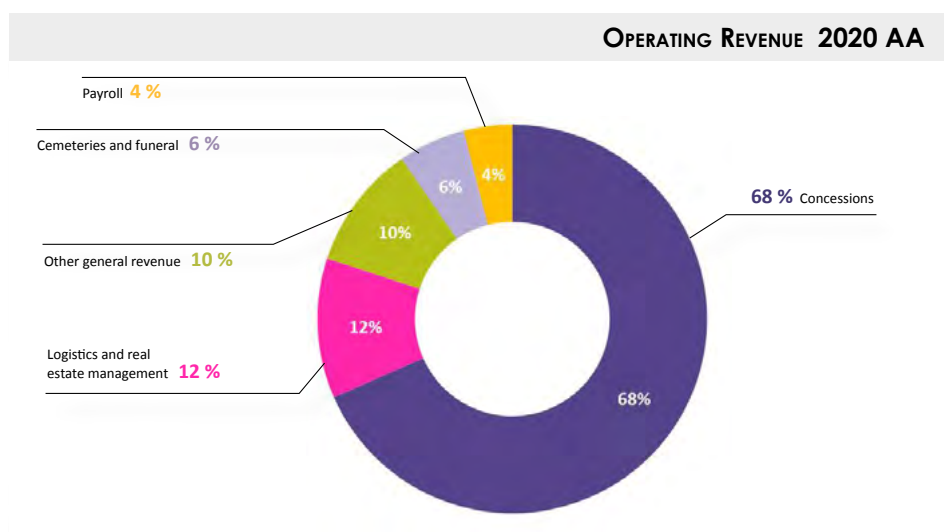
Expenditure dedicated to **metropolitan initiatives in cooperation with Grand Paris** amounts to €0.5m (- €0.2m), including €0.2m in contributions to the metropolitan forum and €0.3m in contributions to associations of elected representatives.

Appropriations dedicated to **inter-regional initiatives in collaboration with overseas cities** (grants to associations, commemoration of the abolition of slavery) stand at €0.2m (- €0.1m due to no tropical carnival being organised in 2020).

Lastly, expenditure relating to the European Regional Development Fund (ERDF) stands at €0.3m. This is the repayment of the European grant to partners of the Smart City project in Clichy-Batignolles

Revenue

REVENUE FROM THE AUTHORITY'S GENERAL ADMINISTRATION STANDS AT €181.3M, UP BY €10.2M COMPARED TO THE 2019 AA.



Revenue **relating to finances and purchases** amounts to €137.8m, a €1.9m increase over one year.

Revenue from concessions managed by the Directorate of Finance and Purchases (establishments, public display and telecommunications networks) stand at €124m, including €120.9m in fees (+ €2.9m compared to 2019). The support plan's impact (€24m less revenue observed from concessions following fixed fee exemptions for 2 to 4 months and reductions in guaranteed minimal fees, except for wire network and telephone contracts which were little affected by the health crisis) was compensator for by the renewal of the municipal display contract at the end of 2019 (information urban property). Revenue from accounting adjustment operations (cancellation of mandates, clearing of unrecorded receipts, VAT recovery) stands at €13.4m (i.e. - €0.7m).

Logistics and real estate management revenue totals €19.4m, including €16.7m as part of the State's reimbursement of 50% of mask orders placed between 13 April and 1 June.

Revenue from human resources totals €8.6m, down by €2.1m as a result of the health crisis' consequences: reimbursements for staff made available and other expenses stand at €6.1m (- €1.2m), and revenue from the fund for the integration of disabled persons in public functions amounts to €2.3m (- €0.4m).

Revenue from **cemeteries and funeral director concessions** totals €10.1m, a €0.4m increase in one year. This includes €8.3m in revenue from cemetery management, and notably income from funeral concessions (+ €0.3m) and €1.8m in crematorium management fees (+ €0.1m).

Other general administration revenue stands at €5.4m, including €1.7m in reimbursements for telecommunications fees and IT services borne by the City on behalf of its public establishments (- €0.3m), €0.9m in indemnities relating to the implementation of judicial decision in favour of the city (- €1.3m), €0.7m from communications and protocol (Town Hall lounge rentals, partnerships, brand management), and €0.8m in State reimbursements for administration activities carried out on its behalf (censuses and elections).

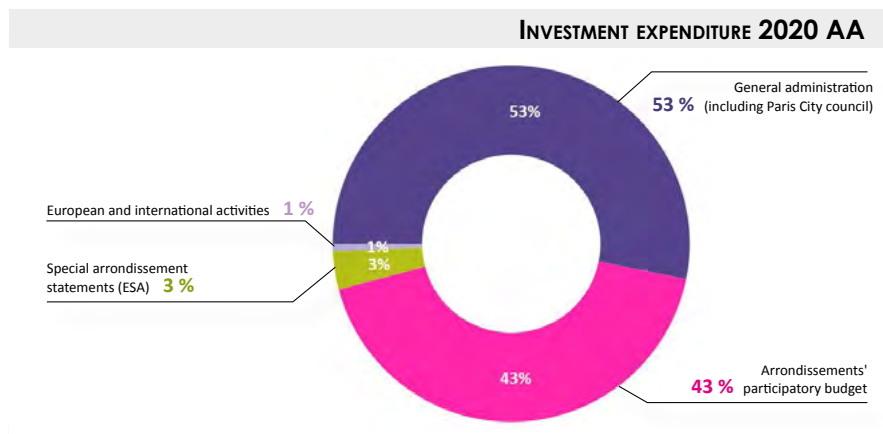
► REVENUE FROM EUROPEAN FUNDS

This revenue stands at €1.1m on the 2020 AA (- €3.8m, in line with the progress of the various projects funded): €1.1m from the European Social Fund (ESF) and €0.4m from the European Regional Development Fund (ERDF) for the smart energy management project in the Clichy-Batignolles eco-neighbourhood.

INVESTMENT SECTION

Expenditure

EXPENDITURE UNDER THE “GENERAL SERVICES” FUNCTION STANDS AT €159.1M, A €17.7M DECLINE COMPARED TO 2019. THIS IS MOSTLY DUE TO THE LESSER IMPLEMENTATION OF THE PARTICIPATORY BUDGET, WITH MANY OF THE TERM’S PROJECTS HAVING BEEN COMPLETED.



€84.6m was spent on general administration, representing a €0.8m increase compared to 2019.

In this respect, investment expenditure included :

- €54.5m on **IT and telecommunication**, a €6.5m increase compared to 2019. €14m was spent on launching and continuing IT projects such as those relating to human resource management to the amount of €2.5m (Chronotime, nominative social declaration), those relating to user service projects to the amount of €3.9m (Paris Sport Vacances, SI Elections, Sphère scolaire), €2m for project application integration, €1.9m for IS projects relating to public areas (municipal police, dematerialisation of abduction sheets, gratuity of transport), €1.3m for the geographic information system (cross-functional digital mapping tools) and €1m for IS projects relating to financial management (harmonised third party reference).
€14.2m was spent on maintaining infrastructures' operating conditions, compared with €12m in 2019, with a €2m increase for IT and radio networks due to the connection of very high speed broadband and cabling work. €15.1m (€9.3m in 2019) was dedicated to “extremity” facilities, in particular due to lockdowns and the mass deployment of telework.
- **Maintaining and modernising the City's premises and furniture** required €15m (- €3.8m), including €5.3m for studies and advance payments to the SPL on the Eiffel tower site as part of the project to redevelop and modernise facilities. €3.3m was dedicated to modernising facilities in terms of electrical installations and fire safety. €3.8m was dedicated to studies, the acquisition of furniture, equipment and tools for modernisation works on the Directorate of Public Construction and Architecture's (DCPA) premises and to install charging stations for the municipal fleet. Bringing lifts up to standards required €1.7m in expenditure. €0.5m was spent on facade refurbishments and €0.2m on re-housing the Technical Section for Civil Engineering and Interior Planning (STGCAI).
- €7.9m was spent on **logistics** including €3.3m on maintenance, safety, planning and works in administrative buildings. €3.7m was spent on the administrative installation blueprint. €0.5m was dedicated to the brigade against incivilities. €0.5m was spent on electoral equipment.
- **Cemeteries and funeral directors** directors required €4.2m in spending, including €3.1m for works in cemeteries.
- **The finance** field required €0.1m, including public procurement publication and insert fees, work inability prevention and the purchase of equipment and furniture.
- **Human resources** mobilised €0.5m (compared with €3.5m in 2019). This decline is due to the lack of payment of the investment grant to the ASPP in 2020 for the renovation and restructuring of food centres.
- **Citizen participation** represents €0.5m, most of which for works completed in associative and citizen life houses.
- **Communications** required €0.1m for photograph equipment and the purchase of furniture.

Paris' participatory budget (PPB) mobilised €23.9m (€9.6m less than in 2019), including €2.5m dedicated to the “Paris aux piétons” projects (i.e. €0.7m less than in 2019 due to the project's completion), €2.5m to the “Une voirie pour toutes les mobilités” project (a €1m decrease, also due to the project's completion) and €2.2m to revitalising working-class neighbourhoods. Other projects such as “En prise, encore plus d'aménagements cyclables” (€0.9m in 2020, i.e. €1.1m less than in 2019), “La reconquête de la Petite ceinture” (€0.8m in 2020, i.e. €2.2m less than in 2019) or “Agir en faveur de la vitalité associative des quartiers” (€0.2m in 2020, i.e.

€1.1m less than in 2019) were completed in 2020, which explains the overall decline of implementation of the Paris participatory budget. A further €1.3m was spent on the “Coups de culture” project and €1.1m on the “Plus de nature en ville” project.

The arrondissement participatory budget (APB) mobilised €40m. In this respect, €11.9m was spent on projects relating to highway works (compared with €15m in 2019), €8.1m was spent on projects relating to the environment (compared with €6.5m in 2018), €7.8m on projects relating to youth and sports (compared with €7.4m in 2019), €5.1m on projects relating to school affairs and €2.8m on projects relating to culture.

The schools participatory budget (SPB) mobilised €3.8m in 2020 (compared with €9.9m in 2019), notably for works on experiment projects, on school 2.0, on sports schools or on pleasant schools. The decline in implementation between 2019 and 2020 is due to the completion of several projects in 2020 (robotics class, murals, mini Oasis courtyards).

€5.5m was allocated to special arrondissement statements (ESA) as part of the investment allocation (€5.4m in 2019).

Lastly, €1m was spent on decentralised cooperation and inter-regional, European and international activities, most of which comprised of a €1m grant paid to Association Internationale des Maires Francophones

Revenue

INVESTMENT REVENUE FROM GENERAL SERVICES AMOUNTED TO €2M IN 2020, €0.4M MORE THAN IN 2019.

€1.6m in revenue was collected from general administration, notably with €0.9m collected as part of the data center. €0.3m was recorded from IS user projects.

€0.3m was collected from participatory budget projects

IV/ TECHNICAL ENTRIES

I / DETAILS OF BALANCED OPERATIONS

Sections I, II and III of this report set out the City of Paris' actual budget, net of any entries balanced in expenditure and revenue, with a view to presenting the authority's concrete financial efforts towards the various policies carried out. This section addresses other entries on the 2020 administrative account.

As regards operating activities, balanced operations are those operations recorded as expenditure and revenue in the municipal budget, such as the receipt and repayment of the regional portion of tourist tax to the Société du Grand Paris (SGP), as well as any exceptional expenses and income implemented in relation with the management operation for the Porte de Versailles exhibition park.

It should also be noted that, compared to actual operating revenue, the administrative account records €169m in income from disposals (on account 775), an amount that is recorded under operating activities, but which is reintegrated into the investment section ⁽¹⁾; **thus, this amount is presented as investment revenue.**

Lastly, the 2020 administrative account also records €142.4m in "capitalised" rent income (account 16878), an amount recorded under investing activities, but which is reintegrated into the operating section, in accordance with the derogation granted to the City of Paris; **thus, this amount is presented as operating revenue.**

In addition, there is €659.7m in order expenditure and €376.6m in operating order revenue, matching transfers between the sections, which are balanced by equivalent revenue and expenditure in the investment section and are described under paragraph 3 below.

OPERATING EXPENDITURE - 2020 AA

FINANCIAL ANALYSIS OVERVIEW BY FUNCTION (IN €M)	
Safety	395,8
Education, vocational training and learning	735,9
Culture, social life, youth, sports and leisure	585,1
Healthcare and social action	2 347,2
Territorial development and housing	247,3
Economic action	60,3
Environment	676,4
Transport	614,3
General services	786,0
Operations not broken down	1 782,2
TOTAL ACTUAL OPERATING EXPENDITURE (A)	8 230,5

The scope of budget documents adds the following flows to this expenditure :

NEUTRALISATIONS (B)	676,1
Inter-section transfer order expenditure (chapter 946)	659,7
City repayment of the regional portion of tourist tax to the SGP	4,7
Prepaid expenses for Porte de Versailles long-term lease	11,7
BUDGET TOTAL (A) + (B)	8 906,6

OPERATING REVENUE - 2020 AA

FINANCIAL ANALYSIS OVERVIEW BY FUNCTION (IN € MILLIONS)	
Safety	1,4
Education, vocational training and learning	58,9
Culture, social life, youth, sports and leisure	65,9
Healthcare and social action	600,5
Territorial development and housing	214,7
Economic action	64,6
Environment	703,2
Transport	263,6
General services	182,6
Operations not broken down	6 095,3
TOTAL ACTUAL OPERATING REVENUE (A)	8 250,6

⁽¹⁾ Upon disposal of an asset, the investment section must record the loss of ownership of the asset sold on two different accounts, once at its initial purchase value and once according to the capital gains or loss performed. Account 775 in the operating section acts as a pivot account to collect the amount of the gross revenue (without this breakdown). This amount is reassigned to the investment section by order operation, as presented on p. 129 of this report: initial purchase values (€84m) and capital gains (€99.4m), minus capital losses (€14.8m) to reach the recorded income (€168.6m).

The scope of budget documents adds the following flows to this revenue:

NEUTRALISATIONS (B)	419,1
Inter-section transfer order revenue (chapter 946)	376,6
Charge back of income from disposals in the investment section (account 775)	168,6
Receipt of capitalised rent in operating section (by derogation)	-142,4
City repayment of the regional portion of tourist tax to the SGP	4,7
Prepaid expenses for Porte de Versailles long-term lease	11,7
BUDGET TOTAL (A) + (B)	8 669,8

The authority's actual investment expenditure (€1,365.3m excluding loan repayments) is increased by the following entries on the administrative account :

- €227.7m in debt amortisation;
- €100.6m for entries balanced in expenditure and revenue on development operations and particularly the property account ;
- €376.6m in order operations, described below;
- €68.8m in order operations within the investment section, dedicated to asset operations under operating chapter 925, described below.

Actual investment revenue (€420.3m) is increased by the following entries on the administrative account :

- €753.5m for the appropriation, in 2020, of prior income observed on the 2019 administrative account from the operating section ;
- €974m in new loans (including €0.8m in share premiums paid) and €3.3m in share premiums received;
- €100.6m, mirroring expenditure, in entries balanced notably on development operations and sales with payment schedules;
- €659.7m in order operations, described below;
- €68.8m in order operations within the investment section, dedicated to asset operations under chapter 925, and described below.

INVESTMENT EXPENDITURE - 2020 AA

FINANCIAL ANALYSIS OVERVIEW BY FUNCTION (IN €M)	
Safety	19,2
Education, vocational training and learning	121,3
Culture, social life, youth, sports and leisure	149,1
Healthcare and social action	55,6
Territorial development and housing	501,0
Economic action	64,8
Environment	53,8
Transport	154,5
General services	159,1
Operations not broken down	87,0
TOTAL ACTUAL INVESTMENT EXPENDITURE (A)	1 365,3

The scope of budget documents adds the following flows to this expenditure :

NEUTRALISATIONS (B)	773,7
Inter-section transfer order expenditure (chapter 926, excluding 1068)	376,6
Asset operations (chapter 925)	68,8
Neutralised balanced operations	100,6
Loan repayments	227,7
BUDGET TOTAL (A) + (B)	2 139,0

INVESTMENT REVENUE - 2020 AA

FINANCIAL ANALYSIS OVERVIEW BY FUNCTION (IN €M)	
Safety	0,2
Healthcare and social action	6,1
Culture, social life, youth, sports and leisure	20,5
Healthcare and social action	5,1
Territorial development and housing	218,4
Economic action	0,0
Environment	13,0
Transport	8,7
General services	2,0
Operations not broken down	146,3
TOTAL ACTUAL INVESTMENT REVENUE (A)	420,3

The scope of budget documents adds the following flows to this revenue :

NEUTRALISATIONS (B)	2 533,0
Inter-section transfer order revenue (chapter 926)	659,7
Asset operations (chapter 925)	68,8
Neutralised balanced operations	100,6
Capitalised rent recorded under the operating section	142,4
Income from disposals implemented under the operating section (account 775)	-168,6
New loans (nature 16311 and 1641)	974,0
Share premium corrections	2,5
Appropriation of 2019 operating revenue	753,5
BUDGET TOTAL (A) + (B)	2 953,3

2 / OPERATIONS RELATING TO DEBT

In 2020, the City of Paris continued to finance itself under satisfactory conditions, by drawing from the recognised quality of its signature, a low-rate environment and investors' increased appetite for very long term investments (up to 50 years).

Ten loans operations were contracted in 2020, most of which public or private bond issues (including one "sustainable" bond that contributes towards financing sustainable development investment projects) and one single bank loan was contracted with the CEB (Council of Europe Development Bank). The total cost of these operations is €974m.

The objective of smoothing the amortisation burden and the advantageous rate environment resulted in recourse to loans with longer maturities.

The average life span of outstanding debt has increased significantly, to 12.7 years, while the average rate until pay-off has dropped by 1.48%.

The following table details the loan operations undertaken in 2020 :

DATE OF OPERATION	FORMAT	AMOUNT (IN MIL- LIONS OF EUROS)	LENGTH (IN YEARS)	RATE (%)	SPREAD VS OAT (IN BP=0,01%)	LENDER/ARRANGER
18/05/2020	Bank	35	10	0,0800	10,00	CEB
28/05/2020	Private bond	35	19	0,6720	26,00	BNP Paribas
28/05/2020	Private bond	180	30	0,9630	27,00	BNP Paribas-Helaba
04/08/2020	Private bond	100	46	0,7600	24,00	CACIB
13/08/2020	Private bond	50	40	0,7580	23,00	HSBC
13/08/2020	Private bond	50	20	0,4640	23,00	Natwest
13/10/2020	Private bond	300	25	0,4610	21,00	NatWest-Nomura-BNPP
18/11/2020	Private bond	179	50	0,6500	19,40	Société Générale
11/12/2020	Private bond	25	25	0,3980	22,20	Natixis
11/12/2020	Private bond	20	24	0,3760	22,20	Natixis
TOTAL 2020		974	32,4	0,625	22,20	

3 / ORDER OPERATIONS

Order operations are entries without real financial flows. As a result, they must always be balanced in expenditure and revenue. Those that result in operating expenditure and investment revenue generate self-financing. Those that result in operating revenue and investment expenditure reduced self-financing.

There are three types of budget order operations which are grouped into specific overall chapters :

- order operations for transfers between the operating and investment sections (chapters 926 and 946);
- order operations within the investment section, referred to as “asset” operations (chapter 925);
- transfers from the operating section (chapter 951) to the investment section (chapter 953).

The amounts of budget order operations in 2020 are as follows :

chapter	HEADING	INVESTMENT				OPERATING			
		EXPENDITURE		REVENUE		EXPENDITURE		REVENUE	
		BUDGET ENTRIES	EXECUTION	BUDGET ENTRIES	EXECUTION	BUDGET ENTRIES	EXECUTION	BUDGET ENTRIES	EXECUTION
926	Inter-section transfer orders (investment)	370 656 573,16	376 576 943,46	566 455 922,05	659 655 202,06	0	0	0	0
946	Inter-section transfer orders (operating)	0	0	0	0	566 455 922,05	659 655 202,06	370 656 573,16	376 576 943,46
925	Asset operations	135 027 208,09	68 843 938,53	135 027 208,09	68 843 938,53	0	0	0	0
953	Transfer from operating section	0	0	12 903 688,78	0	0	0	0	0
951	Transfer to the investment section	0	0	0	0	12 903 688,78	0	0	0
	TOTAL	505 683 781,25	445 420 881,99	701 483 130,14	728 499 140,59	566 455 922,05	659 655 202,06	370 656 573,16	376 576 943,46

The balance of inter-section transfer operations, which represents the amount of **self-financing generated, stands at €283m.**

A - BUDGET ORDER MOVEMENTS BETWEEN SECTIONS IN 2020 (CHAPTERS 926 AND 946)

Chapter	HEADING	INVESTMENT		OPERATING	
		EXPENDITURE executed	REVENUE executed	EXPENDITURE executed	REVENUE executed
926	Inter-section transfer orders (investment)	376 576 943,46	659 655 202,06	0,00	0,00
946	Inter-section transfer orders (operating)	0,00	0,00	659 655 202,06	376 576 943,46

Inter-section transfer operations record transfer operations towards the investment section, disposal operations which record the differences on execution and transfer operations towards the operating section :

1. INVESTMENT REVENUE AND REVERSALS : TRANSFERS FROM THE OPERATING SECTION (CHAPTER 946) TO THE INVESTMENT SECTION (CHAPTER 926) AND REVERSALS.

a. Depreciation, provision and staggering of charges expenses

Fixed asset depreciation is charged to chapters 68 (depreciation expenses and provisions) as operating expenditure and 28 (fixed asset depreciation) as investment revenue.

In 2020, assets acquired since 1997 and capital grants paid since 1997 were depreciated to a total amount of **€423.3m**. Depreciation reversals relating to disposal operations totalled **€1.9m** (investment expenditure under chapter 28 and operating revenue under chapter 78).

Furthermore, the **depreciation of bond redemption premiums**, charged to chapters 68 as operating expenditure and to chapter 16 as investment revenue in the municipal budget, matches annual depreciation, during the bond issues' lifespan, of the share premium determined on their launch, with the bonds being issues **below part**.

The arrangements for bond issue depreciation were changed in 2020; now, depreciation is performed on a prorata temporis basis as from the date of issue and no longer based on their annualised constant price as from the first year of detachment of a coupon.

Twenty-three bond issues launched since 2005 account for **€2.55m** in expenditure in 2020 :

- V523 - HSBC Natixis (€160m in December 2007);
- V527 - HSBC Natixis (€155m in December 2008);
- V529 - HSBC Natixis (€200m in June 2009);
- V533 - HSBC (€100m in December 2010);
- V534 - HSBC Natixis Société Générale (€140m in December 2010);
- V538 - Goldman Sachs (€100m in November 2011);
- V541 - Deutsche Bank (€100m in April 2012);
- V557 - Natixis (tap of €50m in October 2013);
- V561 - Plac. Privé HSBC (€50m in April 2014);
- V562 - Schuldschein Helaba (€25m over 9 years in April 2014);
- V563 - Schuldschein Helaba (€25m over 15 years in April 2014);
- V566 - Placement HSBC (€70m over 17 years in July 2014);
- V569 - Schuldschein Helaba (€40m over 10 years in December 2014);
- V574 - Priv. Plac. Goldman Sachs (tap de 40 M€ sur 15 ans en octobre 2015);
- V579 - Public bond issue "Climate Bond" HSBC, Crédit Agricole and Société Générale (€300m over 15 years in November 2015);
- V581 - HSBC Natixis Citi (€300m over 16 years in April 2016);
- V593 - HSBC Société Générale CACIB (€300m over 16 years in January 2017);
- V596 - HSBC Société Générale CACIB (€320m over 17 years in November 2017);
- V598 - Natixis Société Générale CACIB (€250m over 17 years in April 2018).
- V603 - Nomura Citibank Deutsche Bank (€250m over 20 years in May 2019).
- V610 - Nomura Natwest BNP (€300m over 25 years in October 2020).
- V612 - Natixis (€25m over 25 years in December 2020).
- V613 - Natixis (€20m over 24 years in December 2020).

Four bond issues accounted for **€0.42m in reversals** in 2020, with bonds being issued **above par** (investment expenditure under chapter 16 and operating revenue under chapter 78) :

- V542 - HSBC (€50m over 15 years in March 2012)).
- V546 - HSBC (€30m over 13 years in October 2012).
- V585 - Goldman Sachs (€50m over 14 years in June 2016).
- V605 - BNP (€35m over 19 years in May 2020).

The scheme to **stagger expenses relating to the COVID-19 health crisis over five years** (€100m) was subject to the reversal of the annual share on the profit and loss account to the amount of **€20m** (operating expenditure under accounting chapter 68 and investment revenue under chapter 48).

Lastly, in accordance with deliberations on the terms of their **creation and reversal, provisions and depreciation** were increased from €128.9m to **€148.8m**, representing a **€19.9m** increase :

- **Liability account depreciation** was the subject of an additional provision to the amount of **€12.4m**. This movement adjusts provisions to match the monitoring performed by the Regional Directorate of Public Finances (DRFiP). Provisions have therefore increased from €81.8m to **€94.2m**;
- **Provisions for contingencies** were subject to an additional provision to the amount of **€17.6m** and a **reversal** to the amount of **€10.4m**. Provisions have therefore increased from €24.8m to **€32m**;
- **Financial asset depreciation** and other types of participation received an additional provision of **€194k** and a **reversal** to the amount of **€32k**. Including provisions accounted for by non-budget order operations, provisions stand at **€22.5m**.

Provisions are accounted for under accounting chapters 68 as operating expenditure an 49, 15 and 29 respectively as investment revenue.

2. INTER-SECTION TRANSFERS RECORDING EXECUTION DIFFERENCES OBSERVED ON THE DISPOSAL OF FIXED ASSETS (CHAPTER 926 AND 946)

Fixed asset disposals are only budgeted as revenue under the investment section (chapter 954) and are implemented under the operating and investment sections. The **removal of property** from assets and **differences in implementation** are recorded with order entries.

Income from asset disposals totalled €168.5m in 2020.

THE FOLLOWING WAS RECORDED IN THE OPERATING SECTION :

- as expenditure : **€84m** in net accounting value for fixed assets disposed of, as well as **€99.3m** in capital gains achieved, i.e., a total of **€183.3m**
- in revenue: capital losses recorded to the amount of **€14.8m**.

THE FOLLOWING WAS RECORDED IN THE INVESTMENT SECTION :

- in revenue : **€84m** in the removal of fixed assets disposed of (chapter 21 and 26), as well as **99,3 M€** in capital gains achieved, for a total of **€183.3m**;
- as expenditure : capital losses achieved to the amount of **€14.8m**.

The main fixed land asset disposals in 2020 include :

- the Grésillons city garden in Asnières-sur-Seine - 92 €62.1m
- land located Porte de Montreuil - 20th arrondissement (Reinventing Cities project) €33.1m

• land located 14-20 rue Bruneseau - 13th arrondissement (ZAC Paris Gauche)	€12.7m
• a property located 106-108 rue de l'Ouest - 14th arrondissement (IMOVE foundation fund)	€6.4m
• above soil surface areas located 2/4 avenue de la Porte de Clichy (ZAC Clichy Batignolles)	€5.3m
• a property located 4 bis rue Coustou - 18th arrondissement (social housing, nursery programme, etc)	€4.4m
• pre-empted lots located 72/74 boulevard Saint Marcel (social housing programme)	€3.9m
• land located rue Lecache (ZAC Porte de Vincennes - creation of a school of architecture)	€3.3m
• a declassified square referred to as "Rosny Aîné" - 13th arrondissement (ZAC Paul Bourguet)	€3.2m
• the central section of the Dhuys 77 - 93 aqueduct (IDF region green area agency)	€3m
• a lot within the Vandamme - Nord condominium - 14th arrondissement with a promise of exchange	€2.7m
• two lots of the property located 3 quai Malaquais - 6th arrondissement:	€2.4m
• land located around the Grand Palais - 8th arrondissement (State disposal protocol)	€2.3m
• 372 ha of land on Plaine de Pierrelaye-Bessancourt - 95 (creation of a forest - SMAPP)	€2m
• lots of the condominium located 172 avenue Jean Jaurès - 19th arrondissement (former ZAC Villette-Jaurès)	€1.3m
• the property located 64 rue du faubourg Saint-Denis - 10th arrondissement (retrocession)	€1.2m
• pre-empted lots located 110 rue de Clignancourt (social housing programme)	€1m

One disposal with a payment schedule set out in 2020 relating to :

• land located Plaine Saulnier in Saint-Denis - 92 (Olympic games project)	€14.2m
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3. OPERATING REVENUE: TRANSFERS FROM THE INVESTMENT SECTION (CHAPTER 926) TO THE OPERATING SECTION (CHAPTER 946)

a. transfer of surplus capitalised operating revenue and expenses to the profit and loss account

Three interministerial derogations allow for **€265.5m** in surplus capitalised operating revenue and expenses relating to the COVID-19 crisis to be transferred to the profit and loss account :

- **capitalised rent for long term leases signed in 2020** to a total amount of **€142m** (investment expenditure on 1068 and operating revenue on 777) ;
- **expenses to be staggered over five years which are directly related to the COVID-19 health crisis**, to the amount of **€100m** (investment expenditure on 48 and revenue on 77);
- **advance DMT0 payments** (axes on the transfer of property against payment) to the amount of **€23m** (investment expenditure on 1068 and operating revenue on 791).

b. Investment grants received associated with depreciable assets

Investment grants received attached to depreciable assets are recorded un chapter 13 (investment grants) as investment expenditure and under chapter 77 (specific income) as operating revenue. Every year, these are recovered in the operating section. This recovery amounted to €81.6m in 2020 and was primarily made up of :

- the recovery of **equipment grants received** from the State as part of the delegation of competence in terms of housing to the amount of **€74.7m**. Recovery on the profit and loss account matches the length and frequency of depreciation for grants charged to account 204. Since the 2019 fiscal year, the balance of investment grants is therefore gradually dropping over the same period and at the same frequency as the depreciation plan for the fixed asset category that they finance;
- in accordance with budgetary and accounting instructions and, by way of exception, every year, **the départemental allocation to equip secondary schools (DDEC)** received during the previous fiscal year (**€5.7m**) is completely recovered in the operating section to an amount at least equal to that year's allocation for depreciation of school buildings (€5.7m);
- lastly, five-year grant **recovery plans** started between 2015 and 2018 were accounted for to the amount of **€1.1m**.

c. Force account

This operation consists of charging the purchase of materials and staff expenses, which enabled municipal public servants to transform raw materials into fixed assets (revenue on 722) back to chapters 21 or 23 as investment expenditure. This amounted to **€1.4m** in 2020.

B - ASSET OPERATIONS: INTERNAL INVESTMENT SECTION ENTRIES (CHAPTER 925)

Chapter	HEADING	INVESTMENT	
		EXPENDITURE executed	REVENUE executed
925	Asset operations	68 843 938,53	68 843 938,53

These movements representing **€68.8m** are accounting entries that are balanced in expenditure and in revenue in the investment section.

Integrations primarily includet :

- **the integration of study costs and integration costs in work expenses to the amount of €30.3m** (expenditure under chapters 21 and 23 and revenue under chapter 20). In 2020, the study and integration costs from 2017 to 2019 further to works were transferred to the corresponding fixed asset accounts. These movements enabled these costs to be integrated into expenditure eligible for the VAT compensation fund (FCTVA) ;
- **the reintegration of the annual portion of capitalised rent to the amount of €17.1m** (expenditure under chapter 16 and revenue under chapter 1068). The 2020 annuity for capitalised rent collected in 2016, 2017, 2018 and 2019 was reintegrated to the amount of €6.6m, €4.5m, €3.5m and €2.4m respectively ;

- **the repayment of advance payments** as part of project managing or public procurement delegations to the amount of €10.5m (accounts 21 for expenditure and 237 and 238 for revenue) ;
- **the integration of the special arrondissement statement (ESA) investment allocation** in fixed assets to the amount of €4.7m (account 21 for expenditure and 238 for revenue) ;
- **the reintegration of loan bond redemption premiums** to the amount of **€3.2m** (expenditure on 163 and revenue on 169) and the recording of bond redemption premiums relating to the issuance of new loans to the amount of **€0.8m** (expenditure on 169 and revenue on 163). Bond loans where repayment is associated with premiums are accounted for according to their full value on the loan account. The counterparty to these premiums is recorded on the specific account ;
- **the acquisition of rights-of-way free of charge, valued at the amount of €1.3m**

Chapter 13 is used to record the counterparty to fixed assets received free of charge or for a symbolic euro entered on chapter 21 (expenditure on account 13 and revenue on account 21). The main acquisitions received free of charge include :

- a pre-emption located 161-163 rue de Crimée in the 19th arrondissement (€0.4m);
- the acquisition of the land on which the premises housing the ilot Andromède squash court (Beaugrenelle operation) are to be built, located 42-42 rue Emériaux in the 15th arrondissement (€0.3m).

Disposals include mostly **free property disposals for €0.5m**

Account 204 is used to record the counterparty to fixed assets disposed of free of charge or for a symbolic euro (expenditure on account 204 and revenue on account 21).

C - TRANSFERS FROM THE OPERATING SECTION TO THE INVESTMENT SECTION (CHAPTERS 951 AND 953)

Chapter	HEADING	INVESTMENT	OPERATING
		REVENUE	EXPENDITURE
		BUDGET ENTRIES	BUDGET ENTRIES
951	Transfer from operating section	12 903 688,78 €	0,00
953	Transfer to the investment section	0,00	12 903 688,78 €

The **2020 budget forecast** for transfers from the operating section to the investment section was **€12.9m**. This transfer contributes towards the **self-financing generated** during the given year and towards the repayment of debt into capital annuities. These budget entries are not subject to any budget implementation.

4 / PROGRAMME AUTHORISATIONS (PA)

On 31 December 2020, given the amount of PAs voted in 2020 (€1.9b) and the amount of completed PAs corresponding to completed operations, recorded on the administrative account (€0.4b), the balance of PAs stands at €12.8b.

€1.5b was mandated on programme authorisations (actual appropriations) in 2020, bringing the total of mandates accumulated on PAs in progress at end of 2020 to €8.7b.

GROSS PA STOCK ON 31/12/2019	PA VOTED IN 2020	TERM OF PAs RECORDED	BALANCE OF PAs ON 31/12/2020	MULTI-ANNUAL MANDATES ON PAs ACCUMULATED AT END OF 2020	INCLUDING MANDATES ISSUED IN 2020
11 331 641 446,22	1 926 571 856,95	456 796 055,2	12 801 417 247,97	8 709 048 298,68	1 465 917 869,30

V/ PRESENTATION BY ACCOUNTING CHAPTER,

FINANCIAL RESULTS AND RATIOS

2020 ADMINISTRATIVE ACCOUNT OF THE CITY OF PARIS

FINANCIAL BALANCE

OPERATING SECTION			
EXPENDITURE		REVENUE	
ACTUAL OPERATIONS		ACTUAL OPERATIONS	
Chapters 011, 012, 65, 6586, 014	8 097 562 822,23	Accounts 70 to 75 + 013	8 101 283 769,59
66 Financial expenses	141 486 585,94	76 Financial income	22 446 518,53
67 Specific expenses	7 915 262,01	77 Specific income	169 453 586,60
Total actual expenditure	8 246 964 670,18	Total actual and mixed expenditure	8 293 183 874,72
Balance of actual operations		46 219 204,54	
INTER-SECTION ORDER OPERATIONS		INTER-SECTION ORDER OPERATIONS	
Total order expenditure	659 655 202,06	Total order revenue	376 576 943,46
TOTAL (ACTUAL AND ORDER OPERATIONS)	8 906 619 872,24	TOTAL (ACTUAL AND ORDER OPERATIONS)	8 669 760 818,18
FISCAL YEAR OPERATING RESULT		Loss	
002 Prior deficit carried over	0,00	002 Prior surplus carried over	194 905 859,34
CUMULATIVE OPERATING RESULT	(BEFORE ASSIGNMENT)	Loss	-41 953 194,72

INVESTMENT SECTION			
EXPENDITURE		REVENUE	
ACTUAL OPERATIONS		ACTUAL OPERATIONS	
Financial expenditure		Own resources of external origin	
10 Miscellaneous allocations and funds	0,00	10 Miscellaneous allocations and funds (excluding 1068)	113 789 001,55
13 Grants	1 873 162,00	138 Non-allocated investment grants	0,00
16 Repayments of loans and other debts	257 336 832,14	27 Loan repayments	67 905 853,35
16449 Revolving loans	0,00	Other definitive external resources	
20 Intangible assets	53 237 025,31	20 Intangible assets	12 561 974,46
204 Capital grants paid	435 238 026,22	204 Equipment grants	192 879,43
21 Tangible assets	345 034 583,35	21 Tangible assets	108 243,79
22 Fixed assets received by assignment	49 691,31	23 Fixed assets under construction	256 312,88
23 Fixed assets under construction	491 354 461,54	26 Disposals of holdings and associated receivables	0,00
26 Holdings	10 399 023,25	13 (excluding 138) Investment grants	109 047 955,30
27 Other fixed financial assets	72 023 963,58	Other non-definitive external resources	
Capital expenditure		163 Bond issues	941 486 350,00
20 Intangible assets	53 237 025,31	164 Loans from credit institutions (excluding revolving loans)	35 000 000,00
204 Capital grants paid	435 238 026,22	16449 Revolving loans	0,00
21 Tangible assets	345 034 583,35	165 Deposits and guarantees received	19 442,00
22 Fixed assets received by assignment	49 691,31	168 Other related loans and debts	165 535 794,19
23 Fixed assets under construction	491 354 461,54	45 Operations on behalf of third parties	25 351 691,78
018 RSA (Minimum income support)	59 355,71	Total actual revenue	1 471 255 498,73
45 Operations on behalf of third parties	27 009 631,30		
Total actual expenditure	1 693 615 755,71		
SELF-FINANCING REQUIREMENT (EXPENDITURE - REVENUE)		222 360 256,98	
INTRA-SECTION ORDER OPERATIONS		INTRA-SECTION ORDER OPERATIONS	
Total	68 843 938,53	Total	68 843 938,53
INTER-SECTION ORDER OPERATIONS		INTER-SECTION ORDER OPERATIONS	
Total	376 576 943,46	Total	659 655 202,06
Total (actual and order operations)	2 139 036 637,70	Total (actual and order operations)	2 199 754 639,32
		R1068 Assignment year n-1	753 531 045,60
TOTAL INVESTMENT EXPENDITURE	2 139 036 637,70	TOTAL INVESTMENT REVENUE	2 953 285 684,92
FISCAL YEAR INVESTMENT RESULT		SURPLUS	
D001 Prior loss carried over	720 769 335,46	D001 Prior surplus carried over	0,00
CUMULATIVE INVESTMENT RESULT		SURPLUS	93 479 711,76

2014-2020 CONSOLIDATED FINANCIAL BALANCES CITY OF PARIS FROM AA 2014 TO 2020 AA

IN MILLIONS OF EUROS

	2014 AA	2015 AA	2016 AA	2017 AA	2018 AA	2019 AA	2020 AA	Change 2019/2020
Current operating revenue	8 076	7 889	8 237	8 377	8 465	8 572	8 228	-4,0%
Routine management expenses	7 398	7 529	7 551	7 630	7 717	7 790	8 089	3,8%
MANAGEMENT SAVINGS	678	360	686	747	748	782	139	-82,2%
Financial balance	-97	-99	-105	-112	-117	-111	-119	-7,2%
Total actual operating revenue	8 107	7 914	8 264	8 399	8 486	8 601	8 251	-4,1%
Total actual operating expenditure	7 527	7 653	7 683	7 764	7 855	7 930	8 231	3,8%
GROSS SAVINGS	581	261	581	635	631	671	20	-97,0%
Loan repayments (including revolving loans)	197	200	200	197	199	223	228	2,1%
NET SAVINGS	384	61	381	438	432	478	-208	-146,4%
Actual investment revenue	686	621	538	466	613	515	420	-18,3%
INVESTMENT FINANCING CAPACITY	1 266	882	1 118	1 101	1 244	1 185	440	-62,8%
Actual investment expenditure	1 529	1 397	1 629	1 408	1 346	1 568	1 365	-13,0%
Financing requirement	460	715	710	504	301	606	1 153	90,2%
New loans (including share premiums paid)	510	741	681	793	375	250	974	289,6%
Working capital on 01/01	163	213	233	202	485	586	228	-61,1%
Working capital change	50	20	-30	283	73	-358	-176	-50,8%
Working capital on 31/12	213	233	202	485	558	228	52	-77,4%
Debt stock on 01/01	3 655	4 120	4 640	5 159	5 721	5 922	5 882	-0,7%
Debt stock on 31/12	4 120	4 640	5 159	5 721	5 922	5 882	6 622	12,6%
Debt stock change	466	520	518	562	201	-39	740	
Financing capacity	82,8%	63,1%	68,7%	78,2%	92,4%	75,6%	32,3%	-57,3%

THE PARISIAN AUTHORITY'S MAIN FINANCIAL RATIOS

	2014 AA	2015 AA	2016 AA	2017 AA	2018 AA	2019 AA	2020 AA
1. NET SAVINGS RATE							
Net savings / Actual operating revenue <i>measures the municipality's ability to generate positive net savings</i>	4,7%	0,8%	4,6%	5,2%	5,1%	5,2%	-2,5%
2. DEBT INDICATORS							
Debt stock in capital/Actual operating revenue	50,8%	58,6%	62,4%	68,1%	69,8%	68,4%	80,3%
Debt stock in capital/Gross savings <i>number of years required to repay the capital of debt</i>	7,1	17,8	8,9	9,0	9,4	8,8	329,8
Debt stock in capital/Population (in euros)	1 811	2 040	2 288	2 537	2 639	2 668	3 020
3. INDICATOR OF THE RIGIDITY OF STRUCTURAL EXPENSES							
Staff expenses/Actual operating revenue <i>measures flexibility in terms of reducing expenditure</i>	27,2%	28,1%	27,3%	29,9%	28,2%	28,2%	29,7%
4. TAX POTENTIAL MOBILISATION COEFFICIENT (CITY ONLY)							
Income from direct contributions of 4 taxes (TH, TFB, TFNB, TP and CVAE)/Tax potential of the 4 taxes <i>measures fiscal flexibility (ability to increase rates and therefore income)</i>	53,3%	52,4%	53,8%	43,5%	44,6%	44,4%	44,8%
5. TAX EFFORT (CITY ONLY)							
Income from direct contributions of 3 taxes (TH, TFB, TFNB), Tax potential of the 3 taxes <i>measures tax flexibility regarding household taxes (ability to increase rates and therefore income)</i>	44,9%	44,8%	44,8%	44,7%	45,5%	45,4%	45,5%

⁽²⁾ For 2017, the tax potential mobilisation coefficient was modified pursuant to Article R2313-2 of the General Territorial Authority Code (CGCT), due to the creation of the greater Paris metropolis in 2016

FINANCIAL ANALYSIS LEXICON

CURRENT OPERATING REVENUE :

Total actual operating revenue excluding financial income. This includes taxes and levies, allocations and interests paid by the State and local authorities, fees and services.

ROUTINE MANAGEMENT EXPENSES :

Total actual operating expenditure excluding financial expenses. In particular, this includes staff expenses, general expenses, grants and interests.

MANAGEMENT SAVINGS :

Difference between current operating revenue and routine management expenses.

GROSS SAVINGS :

Difference between actual operating revenue and actual operating expenditure. This takes account of the financial balance. Gross savings represents available resources to finance expenditure under the investment section once all of the authority's operating expenses have been paid. It is assigned as a priority to repaying the capital of debt.

LOAN REPAYMENTS :

Amount of the annuity of loan repayments, where necessary including the lowering of revolving loan ceilings.

NET SAVINGS :

Difference between gross savings and loan repayments. Positive net savings indicate that the authority is able to pay off the capital of its debt using only the surplus from its operating revenue over its operating expenditure. Negative net savings indicate that the authority must assign a part of its investment revenue to pay off its debt, to the detriment of investment financing.

ACTUAL INVESTMENT REVENUE :

Total investment revenue excluding order movements, loans and revolving loans. This includes the FCTVA, income from asset disposals, and loan repayments granted by the authority.

INVESTMENT FINANCING CAPACITY :

Sum of gross savings and actual investment revenue.

ACTUAL INVESTMENT EXPENDITURE :

Total investment expenditure, i.e., mandated payment appropriations, excluding order movements and excluding loan repayments. In particular, this includes expenditure relating to acquisitions, works expenses, and loans granted by the authority.

INVESTMENT FINANCING REQUIREMENT :

Difference between actual investment expenditure and investment financing capacity. This is the balance of actual investment expenditure which can only be financed through loans and the working capital. On the initial budget, the investment financing requirement is financed only by loans, except for early recovery of the working capital for the year n-1.

WORKING CAPITAL :

Total of the capitalised operating surplus, the operating section balance for the year n-1 and the investment section balance for the year n-1. It is equal to the balance of prior fiscal year results.

VAT COMPENSATION FUND (FCTVA) :

The FCTVA is a revenue paid by the State to territorial authorities to compensate for the VAT expenses borne as part of their investment expenditure, given that they can only recover a portion of this through the tax route.

The FCTVA for the year n is equal to the actual investment expenditure for the year n-1.

TAX POTENTIAL MOBILISATION COEFFICIENT AND TAX EFFORT :

The tax potential mobilisation coefficient is equal to the relation between the tax income voted and the theoretical tax income (i.e., the application of average national tax rates to the Parisian tax basis).

A municipality's tax effort is equal to the relation between income from housing tax, the two land taxes, the additional tax on unbuilt property tax, the household waste removal tax or fee, and the tax potential for the first three abovementioned taxes increased by income from the additional tax to tax on unbuilt property tax. This coefficient measures the tax burden weighing on households.

Ratios (from the financial report of the year n) are based on latest available data from the year n-1.

