



Annual Report

Finance and Municipal Affairs
2009-2010



**Prince Edward Island
Department of Finance and Municipal Affairs**

**Annual Report
2009-2010**

Mandate

The mandate of the ministry is to ensure that the human, information technology and financial resources needed by Government are available, are allocated in keeping with Government priorities, and are used in an efficient and accountable way.

Minister's Message

The Honourable H. Frank Lewis
Lieutenant Governor of Prince Edward Island
PO Box 846
Charlottetown, PE C1A 7L9

May It Please Your Honour:

It is my privilege to present the Annual Report
of the Department of Finance and Municipal Affairs
for the fiscal year ended March 31, 2010.



During the period covered by this report,
I served as Minister.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Sheridan', written over a light-colored rectangular background.

Wesley J. Sheridan
Minister

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Operating Principles Adopted by the Staff of the Department of Finance and Municipal Affairs

Statement of Values

A Team Approach – We work together, sharing information to achieve departmental goals.

Service Quality – We provide our clients with the highest quality of service by seeking their input and advice and designing our services to best meet their needs.

Human Resource Development – We seek training and development opportunities which provide us with the appropriate skills to serve our clients.

Honesty, Integrity and Accountability – We perform our responsibilities in a competent and professional manner with the highest standard of ethical behaviour.

Mission Statement

The Department of Finance and Municipal Affairs facilitates the effective and efficient management of Government's human and financial resources by:

- fostering a progressive approach to the management and development of human resources;
- overseeing the financial affairs of the Provincial Government;
- providing internal support services to public sector organizations; and
- leading and facilitating a Government-wide emphasis on program effectiveness and accountability.

Management Philosophy

We believe in a management approach where we:

- challenge, encourage, empower, support, respect, train and develop employees;
- practice clear and open communication;
- consult and involve employees;
- place strong emphasis on client service;
- encourage a team approach;
- use resources wisely;
- recognize, support and conduct our affairs within the Government's agenda; and
- focus on the future.

Legislative Responsibilities

Assigned to the Minister of Finance and Municipal Affairs

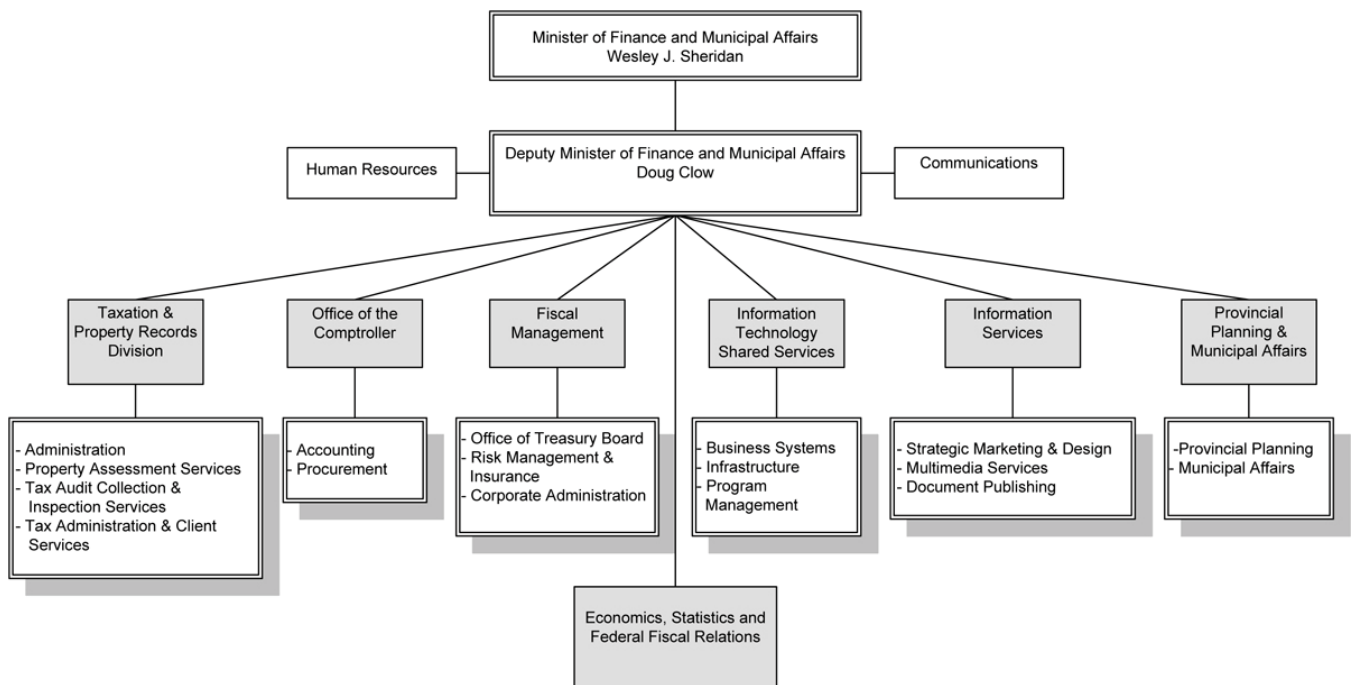
As of March 31, 2010

Act	Division Responsible
<i>Appropriation Act</i>	Fiscal Management
<i>Charlottetown Area Municipalities Act</i>	Provincial Planning and Municipal Affairs
<i>City of Summerside Act</i>	Provincial Planning and Municipal Affairs
<i>Civil Service Act</i>	PEI Public Service Commission
<i>Civil Service Superannuation Act</i>	PEI Public Service Commission
<i>Condominium Act</i>	Taxation and Property Records
<i>Deposit Receipt Act</i>	Office of the Comptroller
<i>Environment Tax Act</i>	Taxation and Property Records
<i>Financial Administration Act</i>	Office of the Comptroller
<i>Financial Corporation Capital Tax Act</i>	Taxation and Property Records
<i>Gasoline Tax Act</i>	Taxation and Property Records
<i>Health Tax Act</i>	Taxation and Property Records
<i>Income Tax Act</i>	Economics, Statistics & Federal Fiscal Relations
<i>Lands Protection Act</i>	Provincial Planning and Municipal Affairs
<i>Loan Act(s)</i>	Office of the Comptroller
<i>Lotteries Commission Act</i>	Deputy Minister's Office
<i>Maritime Provinces Harness Racing Commission Act</i>	Deputy Minister's Office
<i>Municipal Boundaries Act</i>	Provincial Planning and Municipal Affairs
<i>Municipal Debenture Guarantee Act</i>	Provincial Planning and Municipal Affairs
<i>Municipalities Act</i>	Provincial Planning and Municipal Affairs
<i>Northumberland Strait Crossing Act</i>	Taxation and Property Records
<i>Planning Act</i>	Provincial Planning and Municipal Affairs
<i>Public Purchasing Act</i>	Office of the Comptroller
<i>Public Sector Pay Reduction Act</i>	PEI Public Service Commission
<i>Queen's Printer Act</i>	Information Services
<i>Real Property Assessment Act</i>	Taxation and Property Records
<i>Real Property Tax Act</i>	Taxation and Property Records
<i>Real Property Transfer Tax Act</i>	Taxation and Property Records
<i>Registry Act</i>	Taxation and Property Records
<i>Revenue Administration Act</i>	Taxation and Property Records
<i>Revenue Tax Act</i>	Taxation and Property Records
<i>Supplementary Appropriation Act(s)</i>	Fiscal Management
<i>Tobacco Tax Act</i>	Taxation and Property Records

Organizational Chart

Department of Finance and Municipal Affairs

March 31, 2010



Departmental Overview

Role/Mission

The Department of Finance and Municipal Affairs facilitates the efficient, effective and accountable management of Government's human, information technology and financial resources. The mission is accomplished through a team approach – working together and sharing information to achieve departmental goals.

Departmental Profile

Economics, Statistics and Federal Fiscal Relations

The Economics, Statistics and Federal Fiscal Relations Section is responsible for fiscal, tax, statistical and economic policy advice and provides liaison with the Federal Government and the provinces on Federal/Provincial fiscal arrangements.

Fiscal Management

The Fiscal Management Section provides policy advice on Government expenditures and fiscal planning, develops the annual fiscal framework, prepares the Budget Estimates of Revenue and Expenditure, manages the assets of the pension funds and also manages the cash, debt and Sinking Fund of the Province.

The Section is also responsible for developing, implementing and maintaining Government insurance and risk management programs with the goal of eliminating or minimizing the potential for loss to Government, associated agencies, and the health and education sectors.

Information Services

The mission of the Information Services Division is to strengthen Government's business messaging by providing departments, Crown corporations and agencies with a range of communication services.

Information Technology Shared Services

The mandate of Information Technology Shared Services (ITSS) is to maximize the return on investment for Government on internal information technology expenditures while assisting our clients in the delivery of information technology solutions. To satisfy the mandate of the Division, ITSS provides a broad range of services to Government departments, agencies, Crowns, hospitals and schools.

Office of the Comptroller

The Office of the Comptroller's primary responsibility is to operate and maintain the Provincial Government's Corporate Accounting System and to produce the Public Accounts of the Province. It administers the Corporate Procurement Service for line departments and other agencies through embracing the principle of competitive procurement. It manages the Corporate Vehicle Fleet Information System. It provides support and advice in matters relating to financial management and policy submissions to both Treasury Board and Cabinet. Its primary mission is to streamline accounting processes and present financial statements that are as transparent as possible to the Legislature and the public.

Taxation and Property Records

Taxation and Property Records administers the Province's property and consumption tax legislation and ensures the legislation is applied fairly and consistently. The Division also develops and maintains land-related information systems and collects tax revenue.

Provincial Planning and Municipal Affairs

Effective January 2010, government reorganization resulted in Provincial Planning and Municipal Affairs moving to Provincial Treasury to form the new Department of Finance and Municipal Affairs.

Receiving its mandate from the province's *Planning Act*, the Provincial Planning Section serves as the designated policy center within government for land use and development of Prince Edward Island.

Municipal Affairs serves as a primary liaison with municipalities and municipal interest groups on all municipal matters. Municipal Affairs maintains the legislative framework that provides for the existence of municipal government and specifies their duties and powers.

Additional Ministry Responsibilities

The Department of Finance and Municipal Affairs is also responsible for administering the budget allocation for the following "appropriation votes":

- Employee Benefits
- General Government
- Council of Atlantic Premiers
- Interest Charges on Debt
- Technology Asset Management

Tour d'horizon du ministère

Rôle/Mission

Le ministère du Trésor provincial facilite la gestion efficiente, efficace et responsable des ressources humaines, technologiques et financières du gouvernement. La mission s'accomplit par l'entremise d'une approche d'équipe permettant aux employés de travailler ensemble et de partager l'information afin d'atteindre les objectifs du ministère.

Profil ministériel

Économie, statistiques et relations financières fédérales

La Section de l'économie, des statistiques et des relations financières fédérales est responsable de donner des conseils stratégiques d'ordre financier, fiscal, statistique et économique et sert de liaison entre le gouvernement fédéral et les provinces en matière d'arrangements fiscaux fédéraux-provinciaux.

Gestion financière

La Division de la gestion financière donne des avis stratégiques sur la planification financière et sur les dépenses du gouvernement, établit le cadre financier annuel, prépare les prévisions budgétaires en matière de revenus et de dépenses, gère les actifs des caisses de retraite et administre les fonds de caisse, de créance et d'amortissement de la province.

La gestion est aussi responsable de l'élaboration, de la mise en oeuvre et du maintien de programmes d'assurance et de gestion des risques du gouvernement en vue d'éliminer ou de minimiser le potentiel de perte pour le gouvernement, les organismes associés et les secteurs de la santé et de l'éducation.

Services d'information

La mission de la Division des services d'information est de renforcer le service de messagerie du gouvernement en offrant aux ministères, aux sociétés de la Couronne et aux organismes toute une gamme de services de communication.

Services partagés en technologie de l'information

Le mandat de la Division des services partagés en technologie de l'information consiste à maximiser, pour le gouvernement, le rendement du capital investi à l'interne dans les technologies de l'information, tout en aidant nos clients à appliquer des solutions qui s'y rattachent. Pour respecter son mandat, la Division offre un large éventail de services aux ministères, aux organismes, aux sociétés de la Couronne, aux hôpitaux et aux écoles de la province.

Bureau du contrôleur

La première responsabilité du Bureau du contrôleur est d'opérer et de maintenir le système de comptabilité ministérielle du gouvernement et de produire les comptes publics de la province. Le Bureau administre un service d'approvisionnement ministériel pour les ministères responsables et autres organismes en adhérant au principe de l'achat concurrentiel. Il gère un système d'information sur le parc automobile

ministériel. Il fournit également du soutien et des conseils dans les domaines se rapportant à la gestion financière et à la soumission des politiques au Conseil du Trésor et au Cabinet. Sa mission première est de simplifier les processus comptables et de présenter des états financiers aussi transparents que possible à l'Assemblée législative et à la population.

Imposition et registre des biens

La Division de l'imposition et du registre des biens administre les mesures législatives relatives à l'impôt foncier et à la taxe de consommation et s'assure que la législation est appliquée de manière équitable et uniforme. De plus, la Division établit et maintient des systèmes d'information foncière et perçoit les recettes fiscales.

Le ministère des Finances et des Affaires municipales

Lors de la réorganisation gouvernementale de janvier 2010, les sections de la Planification provinciale et des Affaires municipales se sont jointes à celle du Trésor provincial pour former le nouveau ministère des Finances et des Affaires municipales.

Planification provinciale et affaires municipales

La Section de la planification provinciale, qui agit à titre de centre de la politique au sein du gouvernement en ce qui concerne l'utilisation et l'aménagement des terres agricoles à l'Île-du-Prince-Édouard, tire son mandat de la *Planning Act* (loi sur l'aménagement du territoire) de la province.

La Section des affaires municipales sert de liaison principale avec les municipalités et les groupes d'intérêt municipaux pour toutes les questions liées aux affaires municipales. Cette section maintient le cadre législatif qui prévoit l'existence des administrations municipales et précise leurs fonctions et pouvoirs.

Responsabilités additionnelles du ministère

Le ministère du Trésor provincial est également responsable d'administrer l'affectation budgétaire pour les crédits suivants :

- avantages sociaux
- administration publique
- Conseil des premiers ministres de l'Atlantique
- frais d'intérêt sur la dette

Finance and Municipal Affairs

Financial Summary

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Expenditure by Division*		
Administration	543,097	571,500
Fiscal Management	2,493,401	2,829,600
Office of the Comptroller	1,470,449	1,358,200
Taxation and Property Records	5,882,280	6,228,000
Information Services	3,154,583	3,336,000
Information Technology Shared Services	21,952,421	22,639,600
Economics, Statistics and Federal Fiscal Relations	629,255	706,300
Provincial Planning and Municipal Affairs	23,403,600	23,296,400
Total Department Expenditures	<u>59,520,986</u>	<u>60,965,600</u>
Other Budgetary Responsibilities**		
General Government	7,563,114	10,392,300
Council of Atlantic Premiers	196,093	196,100
Interest Charges on Debt	101,656,789	114,270,300
Technology Asset Management	1,768,703	2,100,000
Employee Benefits	73,763,616	80,411,800
Revenue*		
Federal Sources	546,632,970	546,319,400
Provincial Sources	689,035,425	685,256,500
Investment Income	9,236,673	9,809,300
Sinking Fund Earnings	12,475,947	14,875,000
General Government	80,968	0
Employee Benefits	251,721	170,300

* Detailed Budgetary information is included in Appendix A and B.

** Detailed Other Budget information is included in Appendix C.

Economics, Statistics and Federal Fiscal Relations

Role/Mission

The Economics, Statistics and Federal Fiscal Relations Division strives to provide research, analytical expertise and advice at the highest professional standards to the department and Government generally on a wide range of tax, statistical, economic policy and federal/provincial fiscal matters. The major focus of the Division is on federal transfer payments, income tax issues, statistical reports and economic analysis for Government. The Division's role includes responsibility for analysing, researching and publishing key statistical information/data, and in disseminating statistics across Government. The Division represents the Province in discussions with the Federal Government and provinces and territories on a variety of key federal/provincial fiscal arrangements, supports the Minister and Deputy Minister at high-level meetings on these subjects, and promotes the interests of Prince Edward Island in public and academic circles.

Overview

The Economics, Statistics and Federal Fiscal Relations Division strives to provide research, analytical expertise and advice at the highest professional standards to the department and Government generally on a wide range of tax, statistical, economic policy and federal/provincial fiscal matters. The major focus of the section is on federal transfer payments, income tax issues, statistical reports and economics analysis for Government.

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Report Highlights

Federal Fiscal Relations includes interprovincial work on fiscal transfers, the equalization program and revenue forecasting.

The most prominent aspects of federal/provincial fiscal arrangements are Equalization, Canada Health Transfer, Canada Social Transfer, the Income Tax Collection Agreement, the Reciprocal Taxation Agreement, infrastructure funding, Fiscal Stabilization and Statutory Subsidies. Extensive liaison with the Federal Department of Finance and the Canada Revenue Agency is also involved with this work.

Federal Provincial Fiscal Issues/Transfers
The Federal Government announced that growth in the Equalization program would be capped for 2009/10. This was the first major change to transfers since the 2007 budget that introduced a new Equalization program based on the O'Brien report. The changes to the Equalization program also had an impact on the Canada Health Transfer. The Division provided analysis and advice on the impact that these changes will have on PEI's revenues.

Extensive input into the Budget Address was also provided. Budget schedules prepared by the section consisted of: Summary Comparison – Provincial Tax Rates, and Federal and Provincial Personal Income Tax Rates.

Provincial Economics

This Division provided up-to-date economic information for senior officials, both in the department and in wider government, for numerous functions throughout the year. It also continues to provide broader analytical support to other government departments, agencies and commissions.

The Division prepared the 2009 Budget Paper A: Background Notes on the Economy which consists of National and International Review, Provincial Highlights 2009, the Prince Edward Island Economy, Detailed Industry Analysis and Summary Statistics. The reports provided analytical support to the drafting of the Budget speech. The Division also produced the Provincial Economic Update in late fall 2009.

The Province's economic situation 2009/10 was presented to the following bond raters: Moody's, DBRS, Standard and Poors, and was delivered at the 19th Annual Atlantic Canadian Investment Seminar, in Halifax and Bank of Montreal, Government and Finance Conference in Toronto. The Division continues to attend the Canada Mortgage and Housing Corporation Industry Roundtable, and the Atlantic Provinces Economic Council's Outlook Conference.

The Division attended the Federal/Provincial Continuing Committee of Officials (CCO) Sub-Committee Meeting on Economic and Fiscal Issues in Fredericton, NB. It also attended the Fiscal Arrangements/Transfers Sub-committee meeting in Ottawa. It continues to participate in the Federal-Provincial Labour Market Information Network, and liaises with other Federal government departments on various topics.

National Economic Issues

Responsibilities include providing advice on;

- the Federal Budget and Federal fiscal position;
- Bank of Canada monetary policy;
- interest rates and Canadian dollar;
- economic performance of Canada, US and other countries; and
- discussions with bond rating agencies.

Tax Policy Issues

The Division provided significant advice regarding income tax matters for the Spring Provincial Budget.

Economic and fiscal analysis and advice were provided to the Minister as well as the rest of government more generally, on new Federal Budget tax measures and changes, and the associated impacts on the provincial government and Island residents.

The Division provided extensive briefing and background information to Social Assistance staff and the Minister on the Federal Budget enhancements to the Working Income Tax Benefit. Work was undertaken to see if provincial improvements could be made to the WITB program to better align its function with provincial income support programs.

The Division conducted considerable work in conjunction with Rural Development and Business Development staff in investigating the possible benefits and pitfalls of a made-in-PEI version of Nova Scotia's Community Economic Development Investment Fund framework. Ongoing advice was provided to the Minister.

The Division worked with the Federal Department of Finance to implement amendments to the Tax Collection Agreement. These amendments primarily included changes to payment schedules and housekeeping items.

The Division also worked with the Canada Revenue Agency on the annual changes and updates of their internal systems, income tax forms and guides, which relate to the administration of PEI's Income Tax System.

The Division represents the Province on six different Federal/Provincial/Territorial income tax committees in total, of which Federal membership includes the Department of Finance Canada and the Canada Revenue Agency. These different committees deal with a large slate of income tax policy issues including such things as inter-provincial tax allocation, data and information sharing issues, legislative issues, tax avoidance issues, administration issues, national policy and coordination issues, and generally any other items affecting the Canadian income tax system at a Provincial or Federal level.

Statistical Activities

Statistical information to Government officials and to the public via the Government Internet continues to be a priority.

The website is updated frequently, as new statistics become available. The Division also uses the website to disseminate publications authored by the Division, such as the Annual Statistical Review and the PEI Economy Progress Report. As the statistical focal point for PEI, the section maintains a close working relationship with Statistics Canada.

The Division continues to develop key information for senior government officials, including further research and development of the demographic model. Statistical activities include:

- a dissemination strategy for management and the Province;
- demographic forecasts;
- statistical publications and reports with regular updates on the website;
- representation at Statistics Canada meetings

- maintenance of databases and report storage facilities;
- responses to public and Government department requests including participation in special projects; and
- analysis of specific statistical concerns.

The section responded to many specific requests in 2009/10, including work for the Municipal and Land Use Planning Secretariat, the Department of Social Services and Seniors, the PEI Population Secretariat, the Department of Finance and Municipal Affairs, the Department of Health and Wellness, the Department of Agriculture, as well as numerous requests for statistics from the public sector.

The population model continues to be a popular tool for population projections as demonstrated by the numerous requests for data and projections for the Province and its counties. Most data-related documents are now published electronically by Statistics Canada, and are archived by division staff to form a local electronic library.

A detailed Input-Output model, made possible by a bilateral agreement between Statistics Canada and the Province, enables the Division to provide a more thorough analysis of the Prince Edward Island economy.

Canada Pension Plan

Responsibilities include advice to the Minister on CPP financial and policy issues. The section advised the Minister in concluding the triennial review of the Canada Pension Plan and co-ordinated the provincial Order-in-Councils agreeing to changes in Bill C-51.

Fiscal Management

Role/Mission

The Fiscal Management Division's primary responsibility is to provide support and advice in matters relating to financial management and policy submissions to both Treasury Board and Cabinet. Its primary mission is to streamline accounting processes and present financial statements that are as transparent as possible to the Legislature and the Public. It includes Corporate Administration, Risk Management and Insurance, Fiscal Management, Debt, Investment and Pension Management, and Pensions and Benefits for the department.

Overview

Corporate Administration

This section is responsible for processing human resource transactions and performing all payroll functions for the Department as well as all accounting functions for revenues and expenditures for the department.

Risk Management and Insurance

The Risk Management and Insurance Section is responsible to develop, implement and maintain Government risk management and insurance or self-insurance programs, with the goal of eliminating or minimizing the potential for loss to Government departments, Crown corporations, agencies, commissions, hospitals and school boards/districts. The objective is to project a quality service which protects public sector assets and programs, and controls losses when they occur by providing a professional claims management service to our insurers and the public we serve. The focus is on providing risk management and insurance advice on a daily basis which is essential to the many programs our clients deliver to the general population.

Fiscal Management

Budget Management and Treasury Board Operations

This section is comprised of two distinct sections: Budget Management and Treasury Board Operations.

Budget Management

The Budget Management section is responsible for the preparation and co-ordination of the Capital and Operating Budgets, which assist Government in the overall financial direction for the Province.

This section also provides technical support and policy advice on various aspects of Government fiscal planning.

Under the direction of Government, the Budget Management section prepares the annual Estimates of Revenue and Expenditure for capital and operating funding; develops, implements and reviews budgetary systems and quarterly forecasts; manages the appropriation control system; and formulates and implements expenditure restrictions and control policies as directed by Treasury Board and/or Executive Council.

The Budget Management section also assesses and monitors all financial, personnel, administrative proposals and issues for overall budgetary impacts.

Treasury Board Operations

The Treasury Board Operations section provides:

- analytical, consultative and administrative services to Treasury Board;
- consultative services to departments and agencies on policy, operational and administrative matters;
- Government's administrative policies to ensure consistency and efficiency;
- support for departments'/agencies' progress toward an improved accountability and reporting framework; and
- leadership and/or participation in special projects and/or initiatives identified by the departments or Treasury Board.

Debt, Investment and Pension Management

Banking

The Debt, Investment and Pension Management Section is responsible for the Province's day-to-day banking. This section is also involved with the development of short, mid- and long-term debt management strategies. These strategies include making arrangements for cash management, project financing, issuance of public debt and asset/liability management for Crown corporation debt.

Sinking Fund

Attached to most semi-annual pay debentures of the Province is a provision for sinking fund payments used for principal repayment. These sinking funds, which are set aside annually, are also managed by the Debt, Investment and Pension Management Section. These monies are invested under guidelines set out in the *Financial Administration Act* and are tightly controlled by an internal Sinking Fund Policy which is reviewed on a regular basis.

Pension Fund

The pension monies for the funds are managed under an "umbrella trust" which is monitored and controlled by the Debt, Investment and Pension Management Section staff. Although the Section does not directly invest the pension monies as it does for the Sinking Fund, it does act as the manager of external managers. This work includes setting up and monitoring guidelines for investing monies and daily monitoring of assets and cash flows of the managers and the trust itself.

Loans

The Section is responsible for advancing loans to eligible entities in accordance with the *Financial Administration Act*. As part of the overall administration of the Province's loan portfolio, staff are in regular contact with Crown corporations and other entities to keep them informed of the changing market-based interest rates, to make arrangements for new or amended loans, and to ensure payments are made on existing loans. Staff are also responsible for developing and monitoring investment revenue amounts that are included in the Budget Estimates, quarterly forecasts and the year-end Public Accounts.

Loan Guarantees

This section administers loan guarantees provided by the Province to primarily Crown corporations. The *Financial Administration Act* is the enabling legislation that allows the Province to issue loan guarantees. The administrative duties include maintaining a record of guarantees issued, monitoring and confirming related balances, follow-up to ensure any required renewals are prepared, and generating a statement to be included in the Province's Public Accounts.

Pensions and Benefits

The Pensions and Benefits Section devotes the majority of its resources to managing the three registered pension plans that are sponsored by the Province: the Civil Service Superannuation Fund (CSSF), the Teachers Superannuation Fund (TSF), and the MLA Pension Plan (MLA). The unit also manages several non-registered pension plans and other employer sponsored benefit plans.

The CSSF has approximately 6,600 active members spread across 15 participating employers. There are about 2,800 beneficiaries (retirees, survivor spouses and dependants) receiving benefits from the CSSF.

The Teachers' Superannuation Fund (TSF) has approximately 1,800 active members and 1,400 persons receiving benefits.

There are four participating employers in the TSF. There are 27 active contributors in the MLA Pension Plan and 84 beneficiaries.

Report Highlights

Risk Management and Insurance

Favorable market conditions allowed Risk Management and Insurance to reduce self retention values for any one loss from \$500,000 to \$250,000 while maintaining a \$1,000,000 aggregate limit for any one policy year.

Large loss worksheets were introduced to better manage and explain reserves on more expensive claim files.

Budget Management and Treasury Board Operations

Budget Management provided the Capital Estimates of Revenue and Expenditure for tabling in the Fall sitting of the Legislative Assembly along with the *Appropriation Act* (Capital Expenditures) 2010. For the Spring sitting, the section provided the 2009 Budget Address, the Operating Estimates of Revenue and Expenditure and the 2009 *Appropriation Act* (Current Expenditures 2010), as well as the Supplementary Estimates. These documents were created with input from all departments, agencies and Crown corporations and are presented on a consolidated basis.

Treasury Board Operations

During the year analytical, consultative and administrative support to Treasury Board was provided on an ongoing basis. As well, special projects and/or initiatives on behalf of Treasury Board or the Department of Finance and Municipal Affairs were undertaken. As Treasury Board Operations, staff of the division maintained linkages with the Executive Council Office, the Legislative Review Committee and the Strategic Planning Committees on Economic Policy and Community and Social Policy.

During the past fiscal year, divisional staff represented Treasury Board on various committees including the Agricultural Insurance Corporation, the Land Use Co-ordinating Committee and the Student Loans Appeal Board. Staff members took part in monitoring the Government Loan Guarantee Program and represented Treasury Board on collective negotiating teams for agreements with UPSE Civil, CUPE Education, CUPE Health, and the Teachers Federation.

Accountability

The section promotes compliance with the accountability reporting requirements of the *Financial Administration Act* and Treasury Board policy through consultations and meetings with departments and agencies and through directors' forums.

Treasury Board Policy and Procedures

The Budget Management and Treasury Board Operations sections are responsible for the research, development and maintenance of corporate administrative and operational policies, and the distribution of these through the Government's Intranet.

Staff of the section continue to monitor and enhance services to users by drafting new corporate policies and revising existing policies in collaboration with departments responsible for their administration.

Debt and Investment

Accomplishments in 2009-2010

Debentures

Two new debentures were issued in 2009-2010; a ten year debenture for \$100 million at 4.25% was issued in September 2009 and the 30 year debenture for November 2037 at 4.65% was re-opened for another \$100 million in March of 2010. There were no maturities in 2009-2010.

Canada Pension Plan Borrowing

The Province has borrowed \$140 million from the Canada Pension Plan. Beginning in July 2005, the Province rolled over maturities for a 30-year time period. The interest rates attached to the new refinancing are about one-half of the interest rates attached to the original debentures. By refinancing CPP debentures, the Province saves the fees that would be charged by the syndicate on a new issue.

Bond Rating

The Division is the focal point for all consultations with bond rating firms. During the 2009-2010 year, the Division provided information to three bond rating agencies. All three long-term credit ratings fall into the "A" category. The Province's short-term credit rating is R-1 (low), and is considered by the Dominion Bond Rating Service to be prime credit quality.

Bonds and preferred stock which are rated "A" possess many favourable investment attributes and are to be considered as upper-medium grade obligations. The ratings for the Province continue to send a strong signal to Canadians that Prince Edward Island is a good and sound place for investment.

Summary of Bond Ratings for PEI			
Bond Raters	Short-term Rating	Long-term Rating	Confirmation Date
Moody's	–	Aa2	September 2009
DBRS	R-1 (low)	A (low)	September 2009
S&P	–	A/Stable	January 2010

Master Trust

The Master Trust holds the pension assets of civil service employees, teachers and MLAs.

At the end of 2009-2010, Master Trust assets had a market value of \$1.3 billion.

The Master Trust has contracts with seven investment managers (who invest the assets), one custodian (who holds, transfers and accounts for the assets), and one consultant/performance measurement provider (who gives advice and informs the Investment Advisory Committee and Minister of how the investments are performing).

Pensions and Benefits

The Pensions and Benefits section has fiscal, operational and policy responsibilities for employer sponsored benefit programs such as pension programs, group insurance, workers compensation, and retirement payments. The section's resources are primarily dedicated to the provision of centralized pension administration for the Civil Service Superannuation Fund (CSSF), the Teachers Superannuation Fund (TSF) and the MLA Pension Plan.

Pensions and Benefits provides leadership and direction to both employees and employers across the public sector with regards to administration of benefits and pensions.

Pensions and Benefits takes a proactive role in keeping members up to date on their pension plan by offering information sessions to employees approaching retirement and other active members wishing more information on their pension plan. The Department of Finance and Municipal Affairs is committed to providing ongoing education to its staff to ensure a high level of knowledge and proficiency in the area of pension benefits for public sector plans is maintained.

Information Services

Role/Mission

The mission of the Information Services Division is to strengthen Government's business messaging by providing departments, Crown corporations, reporting entities and agencies with a range of communication services.

Overview

The Document Publishing Centre (Queen's Printer) and PEI Mail

These sections provide professional publishing and distribution services to all Government departments and agencies in the following areas:

Office of the Queen's Printer

- Publishes the Royal Gazette, and the Statutes and Regulations of the Province.
- Production printing of official departmental annual reports, journals, books, certificates, forms and other documents as required by law and Crown copyright.
- Government paper tenders, and the Interoffice courier mail contract.

PEI Mail

- Responsible for central processing of Provincial Government mail.
- Envelope insertion service for notices, cheques, payroll advices and renewal letters.
- Provides sorting and distribution for Interoffice courier mail service delivery across the Province.
- Provides regular delivery and pickup of mail throughout the Provincial Administration Building Complex.
- Processes outgoing mail through Canada Post software.
- Provides monthly statements through the postal management system.

The Document Publishing Centre

The Document Publishing Centre utilizes digital high speed print productivity in full color and black production, for a wide variety of government publications. The section also provides client consultation for print and finishing options and mail distribution. The Document Publishing Centre issues monthly invoices utilizing PrintShop management software.

Digital Print Section:

This section provides digital print on-demand document publishing in the following capacities:

- client-to-server document file submission
- custom variable data file printing
- digital file imposition and proofing
- digital scan to print for color and black output
- PDF file conversion
- digital document file storage

Press Print Section:

This section provides quality single and full color offset press printing to client specification in the following areas:

- printing on a wide range of papers, envelopes and card stocks
- raised printing for letterhead and business cards
- multi-up forms printing on carbonless paper
- brochures, posters and forms printing
- Pantone color match inks and MICR ink printing

Bindery and Finishing Section:

This section provides a variety of document binding options for clients:

- spiral coil, cerlox and perfect binding
- scoring, creasing, folding, drilling, padding, perforations and stapling
- custom numbering for invoice and receipt books with wrap-around covers
- paper and cover stock cutting to specifications
- shipping and receiving of paper products and printed materials.

Multimedia Services

Multimedia Services Section provides a wide range of services to government departments, agencies, reporting entities, school districts, Supreme and Provincial Courts and the Provincial Legislature.

- **Video and Radio Production** provides expertise in camera operation, online and offline editing, video taping, video and audio duplication, digitization for electronic formats, as well as creative direction and script-writing.
- **Photography Services** include studio portraits; product, scenic and event photos; on-site processing of black and white film; conversion of flat graphic materials to slides or electronic files; slide duplication; manipulation of full-colour digital images and in-house printing of digital images.
- **Technical Support** for video production broadcast and streaming of proceedings of the Provincial Legislature, as well as archiving to server and DVD, operation of conference taping system and audio recording for Legislative Committee hearings, as well as equipment and technical support for committee and other hearings across the Island.
- **Equipment Loan and Consultation Services** includes the loan of audio-visual equipment to government departments and consultation services for the purchase of new equipment systems.

- **Maintenance and Technical Support** includes on-site maintenance of PA systems in all Island schools, Provincial and Supreme Courts, Access PEI Centres, Provincial Correctional Centres and in-shop repairs to government audio-visual equipment and technical support for broadcast equipment of the Provincial Legislature.
- **Media Monitoring** provides daily news summaries from local and national newspapers, television and radio newscasts to a designated list of government recipients.
- **Conference and Event Set-up** provides planning, technical support and equipment for government conferences and special events.
- **Press Conference Set-up** provides technical support and a pooled media feed for the press.

Strategic Marketing and Graphic Design and Island Information Service

These two sections of Information Services provide service to all Government departments and agencies in the following areas:

Strategic Marketing and Communications Plans – the section develops and implements strategic marketing, communications and media plans for departments, agencies and government events.

Advertising Design and Production – the section advises on strategic copy and prepares the layout and artwork according to the mechanical specifications of the print media and in accordance with the Government of PEI's corporate identity guidelines.

Document Design and Layout – the section prepares artwork for the production of the Royal Gazette, newsletters, brochures, invitations, certificates, annual reports, application forms, directories, trade show displays and posters.

Website Content Management – the section ensures that websites of the Government of Prince Edward Island present a standard design, standard search, and standard and appropriate content experience.

Promotional Products – the section designs and/or sources promotional and incentive materials to be used at trade shows, as ministerial gifts or for departmental promotions.

Wordmark Guidelines – the section advises the rest of Government on the accepted use of the Provincial Government wordmark; provides electronic formats to outside parties when requested; provides staff workshops on the use of the wordmark; and monitors the use of the wordmark in advertising, signage, brochures, newsletters, letterhead, envelopes, business cards and displays.

Editing Service – the section edits and proofreads departmental documents intended for publication and distribution to the public.

Island Information Service (IIS) is the official distributor of Government news releases to the media. IIS responds to inquiries from the general public and other Government employees for information on Government services, programs and other general information. IIS maintains an inventory and distributes Government publications including the Throne Speech, Provincial Budget, annual reports and provincial legislation. IIS produces the Government Services Directory, Quick Reference Guide, Employee Telephone Directory and assembles the content for the Government Blue Pages published in the Aliant telephone directory for PEI.

Report Highlights

The Document Publishing Centre (Queen's Printer) and PEI Mail

This past year, the section produced over 4,695 print and bindery work requisitions for clients throughout the provincial government. The variety of documents published includes the "Speech from the Throne", Legislature documents, Budget documents, the Public Accounts, the Auditor General's Annual Report and various Department of Education curriculum books and assessment documents.

The major project again this year has been the printing and distribution of the

provincial property tax and assessment statements for the Department. The property tax project required a total team effort: all of the resources and skilled staff of the digital print, offset print, bindery and mail sections to print and distribute over 130,000 property tax assessment notices. A full color information folder is also produced and included with each assessment notice.

The section also produces the monthly amended property tax statements, tax arrears notices and the annual vendor return tax statements for mail distribution.

The Document Publishing Centre experienced continued growth in the demand for variable data printing this year. Variable data printing extracts client database file information and merges it with documents and forms to create a one to one marketing tool. Staff from the Document Publishing Centre provide planning and support to several government departments utilizing variable data print technology.

The demand for digital color printing continues to grow in this fiscal year with color print impressions exceeding 1 million prints. Last year we produced 557,633 digital color prints and in fiscal 2009-2010, we printed 1,011,137 color prints.

The Document Publishing Centre prints and mails pension statements and T-4 statements to all Public Service employees.

In 2007 the Document Publishing Centre began a continuing project to publish apprenticeship Individual Learning Modules (ILM), training module documents for high school students enrolled in automotive repair, carpentry and welding. The section partners with the Department of Education and the Province of Alberta to download select files from the Alberta government website for publication. The module documents are compiled in three ring binders for distribution to apprenticeship program students. The Apprenticeship Program is very popular with students and demand continues to grow for the apprenticeship individual learning module documents and binders that we produce on demand.

The PEI Mail section folds and inserts into envelopes and mails weekly and monthly cheques for the Department of Finance and Municipal Affairs, Office of the Comptroller, Pensions and Benefits and the Department of Social Services and Seniors.

PEI Mail is the sorting and distribution hub for the Interoffice mail service. The

Interoffice mail system has over 100 mail distribution locations across the province. Each day, government mail is delivered and picked up from Tignish to Charlottetown and Souris. The provincial courier service also includes the Queen Elizabeth Hospital Daily Unit Drug distribution program, department of Environment Energy and Forestry water sample testing program, and the department of Agriculture soil, feed and dairy sample deliveries.

PEI Mail postal service began a service agreement this year with Purolator Courier to provide one day guaranteed parcel delivery throughout most of Canada.

During the year, staff training was provided on the production equipment, workflow and software.

This section of Information Services is positioned as a key resource area for document publishing and distribution for the Province.

Production Statistics for the fiscal year 2009-2010

The Document Publishing Centre

- Printing requisitions: 4,695
- Digital black ink print impressions: 8,460,251
- Press print impressions: 5,230,177
- Digital color print impressions: 1,011,137
- Total print impressions: 14,706,260

PEI Mail postal service

- Inserted mail items: 490,556
- Meter mailed items: 485,490
- Xpress post and Priority post items: 3871
- Pre-paid certified mail pieces: 9,670
- Total mail items processed: 989,587

Multimedia Services

This Section was extremely busy in the fiscal year 2009-2010 providing services to Government departments, agencies, school districts, Supreme and Provincial Courts.

Video and Audio Production

Below is a list of recent videos, projects, and commercials Multimedia has completed and is currently working on.

Videos

Harness Racing Symposium, Dept. Agriculture;
(2) Old Home Week Videos, Dept. Agriculture;
Women's Institute Video;
H1N1 Canada Games video for CCAL;
Skilled Trades Video, Dept. Education;
Breeders Crown Video, Dept. Agriculture;
Provincial Diabetes Program Video;
PEI Equine Video, Dept. Agriculture; and
Build PEI Video.

Commercials

(2) Bicycle Safety commercials for TPW
(5) Heritage Commercials for CCAL
Premier's Christmas Greeting (Television)

Audio Production

Farm Market Report with Wayne MacKinnon;
Forestry Report with Ken Mayhew; Sport PEI Program; 30 second Radio commercial for Dept. of Education; 30 second radio commercial for Innovation PEI; Premier's Christmas Greeting (Radio)

Projects in Progress

(3) GoPEI Commercials (Health and Wellness)
(3) New Emergency Room (QEH) videos
Buy PEI Commercial

Key Multimedia Services Statistics

Audio and Video Production Requests	141
Press Conferences, Other Conferences and Special Events	252
Photography shoot assignments	455
Service calls for a/v equipment repairs	198
Equipment loan request	604
In-shop repairs	143

Strategic Marketing and Graphic Design and Island Information Service

During the year the section executed over 3,600 separate projects for the Premier's Office, Government departments, agencies and Crown corporations.

The section carried out electronic production and delivery of Government advertisements for print media, designing and producing over 570 ads for local and regional newspapers and magazines.

The Graphic Design group continued to enhance in-house computer graphic design capabilities through upgrades of Macintosh equipment and software and staff training particularly in the area of design for the internet.

During this reporting period, responsibility for web content and standards for the official Government of Prince Edward Island website (gov.pe.ca) was migrating from ITSS to Communications PEI.

A new government look and feel was adopted for gov.pe.ca and respective department and agency home pages.

The Government of PEI Website Standards Committee, established in 2008, worked to develop standards for the common look and feel and accessibility of the government website.

A Flickr account was established as a photo gallery solution for gov.pe.ca.

The Build PEI campaign was developed by Communications PEI to showcase the Government of Prince Edward Island five-year capital plan valued at more than \$500 million as well as other investment programs with the Government of Canada, municipalities and communities. Campaign execution included signage, website, video and advertising.

Island Information Service distributed 596 news releases and 166 media advisories for Provincial Government departments and agencies. Staff mailed out over 500 PEI information packages to students across Canada for school projects. IIS receives numerous requests for copies of publications and legislation during the year, and respond to many inquiries for Provincial Government and general information.

Marketing and Graphic Design Project Statistics 2009-2010

Advertisements	573	Envelopes	317	Posters	49
Booklets	105	Forms	445	Reports	44
Document Covers	122	Greeting Cards	30	Royal Gazette	53
Brochures	93	Handout/flyers	131	Signs	44
Business Cards	1,011	Invitations	69	Trade Show Displays	21
Certificates	53	Letterhead	169	Web Design	51
Programs	10	Newsletters	23	Other Projects	225
Presentations	15	Note Pads	32	Total Projects	3,685

Information Technology Shared Services

Role/Mission

IT Shared Services is dedicated to building a strong technology infrastructure and delivering quality services to client departments and agencies across Government.

Overview

Information Technology Shared Services (ITSS) Branch was formed on April 1, 2006, as the result of a Cabinet decision to consolidate all IT resources across Government within a single work unit. To satisfy the mandate of the branch, ITSS provides a broad range of services to Government departments and agencies. ITSS is divided into three divisions.

Business Systems Division

The *Application Development and Support* section of Business Systems is responsible for the maintenance and support of departmental applications, the development of applications using current technologies.

The *Consulting Services* section is responsible for information systems coordination, contract and service level agreement management, business process and requirements analysis services, IT planning assistance and project management.

The *Enterprise Systems* section is responsible for the acquisition, support and enhancement of corporate applications. Examples include the Government website, intranet, personnel and payroll systems and the Financial Information System (FIS).

Infrastructure Division

The *IT Infrastructure Support* section of the division is responsible for providing a leadership role in the planning, operation and support of network and server communications, which includes voice services, across Government.

The *Client Support* section of Infrastructure Division is responsible for providing client and technical support throughout the provincial Government. Client Support services include logging and tracking incidents and requests, telephone support and on-site technical assistance.

The Infrastructure Division is guided by the mandate to design, implement and manage cost-effective information technology required to support Government's business needs. Infrastructure's mission is to align IT services with current and future needs of the business and its customers; to improve the quality of the IT services delivered and to reduce the long-term cost of service provision.

Program Management Division

The Program Management Division of IT Shared Services is responsible for providing IT Governance support; setting corporate policy, security and standards for IT service delivery for Government; ensuring ongoing planning and research into best practices for IT services in the future; budget and administration coordination; ensuring responsible and accountable investment and financial management; representing PEI on Federal, Provincial and Territorial IT related issues; and providing an Office of the Health CIO on behalf of the Department of Health.

Accountability Statement

ITSS, together with client departments and agencies, is jointly responsible for achieving acceptable results in:

- IT planning, alignment and prioritization
- Analyzing business needs

- Projects of business transformation
- Responsible use of IT resources cost-effectiveness
- IT security for Government, information protection
- Quality of the relationship with client departments and agencies
- Quality of the relationship with Federal/Provincial/Territorial jurisdictions on IT matters

Areas in which it is critical that the ITSS Branch has acceptable results and is solely responsible:

- Quality of the advice, assistance, and/or services delivered to our clients

- Procurement of infrastructure equipment
- Professional conduct of ITSS staff
- Client satisfaction with ITSS programs and services
- Condition of the ITSS Branch finances and cost effectiveness of programs and services
- Condition and quality of ITSS assets, facilities, systems and information
- Quality of the work environment for staff to carry out their work
- Quality of the relationship with vendors
- Quality of ITSS policies and standards
- Monitoring compliance with TB/ITSS policies and standards including IT security
- Contribution to corporate initiatives

Report Highlights

Auditor General

- Upgraded the Sage Time Keeper application.

Community Services, Seniors and Labour

- Completed a Request for Proposals for New Facilities Management application.
- Upgraded two releases for Integrated Systems Management, July and November, 2009.
- Implemented Integrated Services Management production build November, 2009.
- Developed requirements for Community Services, Seniors and Labour.

Food Technology Centre

- Upgraded the network for Food Technology Centre.

Public Service Commission

- Developed a New Career website.
- Updated the Flexible Leave Plan Forms to be "fillable"
- Developed "mentoring" site.

Pension and Benefits

- Modified the Pension Request Tracking System.
- Modified and created new reports for the Pension Request Tracking System

Education and Early Childhood Development

- Upgraded GroupWise e-mail system for teachers.
- Implemented Microsoft in the department, boards and schools.
- School image rollout for schools.
- Implemented BAS2000 School Administration System in School Boards, standardized on same version in all boards.
- Provided the lead to move 45 Education staff members within the Provincial Administration Buildings in Charlottetown to Summerside and from Ellis Brothers to the Aubin Arsenault building.
- Provided the lead in moving 18 Education staff from the Health Network to the core government network.
- Completed Integrated Library System (Koha Phase 3).
- Implemented Koha in 27 schools.
- Replaced computer hardware at the lab at Kensington Int. Senior High School.
- Replaced computer hardware at Classroom lab at Bluefield High School.
- Redevelopment of Education's departmental website

- Transferred Trevlac license to accommodate increased enrollment in schools due to 8 school closures.
- Completed English as an additional Language website - <http://www.gov.pe.ca/eal>
- Completed Acase Conference website - <http://www.gov.pe.ca/acase>
- Upgraded the network in 15 schools.

Environment, Energy and Forestry

- Completed redevelopment of Soil and Feed Lab application.

Finance and Municipal Affairs

- Designed and implemented a new application for all Government communication officers (CAL- Communications Activities Lists).
- Completed BuildPEI website - <http://www.buildpei.ca>
- Implemented a new Single Window Access Technology (SWAT) interface with Oracle Financials.
- Implemented MapGuide 2010 to provide modern features not available with any internet based mapping services.
- For Office of the Comptroller:
 - Implemented Peoplesoft Payroll Interface.
 - Modified procurement interface between Alberta's procurement website.
 - Trained government departments on Pcard, Iprocurement and FIS (Financial Information System).
 - Upgraded the FIS (Financial Information System) Java client.
- For IT Shared Services:
 - Replaced NT webserver and migrated all school and ASP Web-applications on new server.
 - Purchased and implemented new Full-Control software in schools.
 - Completed the redevelopment of all Department websites - <http://www.gov.pe.ca/departments>
 - Upgraded the website Content Management System.

- Completed the redevelopment of all Government Maps - <http://www.gov.pe.ca/maps>
- Completed 50 Online surveys throughout government
- For Taxation and Property Records
- Upgraded Tax Revenue Management System (Amanda)
- Redesigned the Annual Tax Bill
- Designed and implemented the new International Fuel Tax Agreement (IFTA) System.

Fisheries, Aquaculture, Rural Development

- Provided IT education for the Department of Fisheries, Aquaculture and Rural Development's relocation to Montague.
- Upgraded POS (Point of Sale) terminals at all Access PEI locations.
- Established government network access at Dairy Lab and Fisheries Warehouse.
- Redeveloped Electronic Complaint Management System for Department of Environment, Energy, and Forestry.
- Deployed Electronic Complaint Management System to Department of Agriculture.

Health and Wellness

- Completed upgrade of Application Infrastructure for Drug Information System/Integrated Claims System (DIS/ICS).
- Application Release of 3.4.3 DIS/ICS (Drug Information System/Integrated Claims System).
- Completed Threat Risk Assessment for Vital Statistics System.
- Completed Colorectal Screening Pilot Program.
- Implemented remote access for TracemasterVue (ECG management)-to provide documentation to physician's to use TracemasterVue from home.
- Implemented updates to Physician Billing System (ICORE) .
- Completed the Olympics website- <http://www.gov.pe.ca/olympics>
- Completed the Flu Website - <http://www.gov.pe.ca/flu>

- Completed one Island Health System Project website - <http://www.oneislandhealthsystem.ca>
- Upgraded the "GRASP" Nurses Scheduling Tool.
- Implemented the Hyperion database and assisted in the Hyperion Budget Management System development.
- Installation of Microsoft SQL database for the Glucometer project.
- Implemented the National Rehab Reporting System.
- Installation of Microsoft SQL database and the application software for the Biztalk Project.
- Updated the Interoperable Electronic Health Record (IEHR) Business Architecture.

Innovation and Advanced Learning

- Implemented One Client Service Model (OCSM) application for newly created division of Skills PEI for the delivery of federally transferred programs.
- Implemented Phase 1 of Internship Program.
- Completed of the Innovation PEI website - <http://www.innovationpei.ca>

Attorney General and Public Safety

- Implemented a new Fully Automated Court System (FACTS) at the Courthouse.
- Implemented a closed circuit system for the Courthouse.
- Completed Office of the Police Commissioner Website - <http://www.policecommissioner.pe.ca>
- Upgraded the TimeSheet application from a workstation application to a server application.

Tourism and Culture

- Completed Library website - <http://www.library.pe.ca>
- Implemented a new PEI Planning Decisions website.
- Implemented a new Right the Future website.

Office of the Comptroller

Role/Mission

The Office of the Comptroller's primary responsibility is to operate and maintain the Provincial Government's corporate accounting system, and to produce the Public Accounts of the Province. It administers the Corporate Procurement Service for departments and other agencies through embracing the principle of competitive procurement. It manages the collection of revenues through electronic processes, and manages a Corporate Vehicle Fleet Information System. Its primary mission is to streamline accounting processes and present financial statements that are as transparent as possible to the Legislature and the Public.

Overview

Accounting

This section is responsible for the operation and maintenance of the Province's corporate accounting system and the preparation of the consolidated financial statements and the operating fund financial statements which form the Public Accounts. It performs audit and monitoring functions on the financial transactions entered by departments for processing in the Province's financial information system and provides reporting on those transactions. It oversees and manages a number of processes which interface with the financial system. The accounting section works with departments to ensure accurate recording of transactions and the proper management of supporting documentation for transactions. It also manages a Student Loan portfolio of overdue accounts and performs audits on several Federal/Provincial cost-shared claims that the Province participates in.

Accounts Payable and File Maintenance

This section is responsible for the timely and accurate processing of Government payments through a decentralized payment system and the records management of all supporting financial documentation. It provides various administrative functions relating to accounts payable and payment issuance as well as processing for several revenue processing streams and activities pertaining to Government bank account

transactions. It administers the Provincial corporate procurement card program which includes training and support for departmental card users, managerial approvers and senior financial personnel. This section also produces payments for two programs: ISM (the Province's social services case management system) and LMDA (Labour Market Development Agreement) and will be adding a third program - MEPS (Maintenance Enforcement Program) in the coming year. Periodic electronic file transfers from these programs trigger the payments.

Accounts Receivable

This section is responsible for co-ordinating and operating the centralized accounts receivable function within the Government's corporate accounting system. It is also responsible for establishing the protocol and providing direction for the processing of Government revenues from the various sites across the province. These duties involve the accurate and timely recording and management of revenues due to the Province.

Procurement Services

This centralized function is responsible for the timely and economical procurement of goods and services and the administration and management of the Government's corporate fleet information system. The

section also oversees the policy and issuance of Provincial corporate procurement cards. It represents the Province on Committees for the Atlantic Procurement Agreement and the Agreement on Internal Trade.

Financial System Support

This section is responsible for the support necessary to operate, maintain and ensure security over the Government's corporate financial information system (FIS) as well as maintenance of the various service level and maintenance agreements.

Report Highlights

Accounting

The Accounting Section undertook a number of initiatives in 2009-2010. Work continued on an extensive review and rewriting of the Government's Purchase Card Policy. Work was also done on the Tangible Capital Asset Policy which was approved and added to the Treasury Board Policy and Procedures Manual in September 2009. The Public Accounts for the year ended March 31, 2009 were completed and released in November 2009. This was an earlier release date than previous years and efforts are ongoing to release the financial statements earlier still in the years to come. In addition to an earlier release date efforts are made each year to improve the content and presentation of information in the Public Accounts to make them more informative and clearer for users. This past year a Financial Statement Discussion and Analysis section was added, the information provided in this new section will assist users in understanding and assessing the Province's financial position and changes in financial position.

The Accounting Section continued its ongoing review and evaluation of proposed changes to Public Sector Accounting Board (PSAB) standards providing feedback to decision-makers. Consultation and review continued on the issues of "Government Transfers" and "Financial Instruments" and

Through a help desk and user meetings approach, procedural and functional support is provided to financial system users. This section is also responsible for the management of system development projects to ensure that the system standards and security are met and the business processes are maintained or enhanced as well as responding to financial corporate reporting needs.

work on "Tax Revenue" was completed. Section PS3510 - Tax Revenue was added to the PSAB Handbook in February 2010, these new rules take effect April 1, 2012. The following Exposure Drafts were issued in 2009-2010:

- April 2009 - Government Transfers (re-exposure draft)
- April 2009 - Tax Revenue (re-exposure draft)
- October 2009 - Foreign Currency Translation
- November 2009 - Liability for Contaminated Sites
- December 2009 - Amendments Resulting from the Adoption of IFRS in Canada
- January 2010 - First-time Adoption of PSAB Standards by Government Organizations
- March 2010 - Financial Reporting by Government Not-for-Profit Organizations.

Discussion continued throughout the year on the impact of the adoption of International Financial Reporting Standards (IFRS) in Canada. A number of the Province's Agencies and Crown Corporations will be converting their accounting standards to IFRS and the remainder will be following the PSAB standards.

Upon review of final PSAB recommendations, the section determines the most appropriate reporting policies for the Province and makes changes to the presentation of the Public Accounts accordingly.

In addition to changes made to comply with PSAB, efforts are made each year to improve the presentation of the Public Accounts. Statements, notes and schedules are reviewed and revised where needed to make them more informative and clearer for users.

Considerable effort and resources are expended each year to keep the Province's financial system up to date and responsive to the needs of users. This includes upgrading the system and performing ongoing work with interfacing systems which transfer information into and out of our system.

Accounts Payable and File Maintenance

This section is experiencing growth in the number of updates that are needed for the vendor management file. While proper vendor management has always been a priority, it is now becoming a critical business piece to follow vendor naming standards as well as adapt to any changes.

The upgrade to R12 early next year may provide some challenges for vendor management in the way that some functionality is changing but we look forward to the opportunity to revisit existing policies.

The number of invoices and payments have increased from the prior year as well but this is due mainly to the ISM payments being processed through Oracle as the number of FIS payments and invoices has only increased slightly at about 3%.

We are continuing to promote the use of electronic payments to reduce department costs in the year ending March 31, 2010.

About 56% of the number of payments issued were issued electronically. This translates into about 75% of the total amount of all payments issued being done electronically.

During the fiscal year 2009-2010 there were approximately 9,100 transactions representing only a 2 percent increase in transactions from the previous fiscal year. This suggests that procurement card usage is starting to level out. This program is crucial to reducing our cheque volume production and related costs as well as making the procurement process less cumbersome for purchasers and for vendors.

	2009/2010		2008/2009	
	Number	Amount	Number	Amount
System Vendors new	7,708	n/a	7,494	n/a
System Vendors updated	2,031	n/a	901	n/a
Vendor Sites new	10,431	n/a	10,087	n/a
Vendor Sites updated	4,330	n/a	2,302	n/a
Invoices processed	266,937	\$1,477,006,277.00	129,828	\$1,340,426,428.00
Batches processed	16,722	n/a	14,529	n/a
Procurement Card transactions	9,126	\$1,687,383.00	8,949	\$1,706,128.43
Payments issued – Cheques	99,774	\$185,346,748.60	31,787	\$229,012,335.01
Payments issued – Electronic	53,754	\$832,360,368.12	40,842	\$714,712,411.92
Payments issued – Internal Clearing	215	\$8,166,750.04	176	\$8,088,735.32

Accounts Receivable

In 2009-2010 the eServices interface was monitored and became a part of the daily business processes of the revenue stream in FIS. E-services is the Province's online client service application, which enables the public to conduct business with the Province over the Internet.

Early discussions were held concerning another possible revenue interface to FIS and LIMS (Laboratory Information Management System). These are currently in the development stage. LIMS is to be used in the administration of the Province's water, feed, soil and dairy labs. Daily transfers of information from LIMS to FIS will eliminate the manual input of revenue and accounts receivable information lessening the chance of error and providing management with up to date reporting for forecasting and other management functions.

The section is continuing to encourage departments to move various legacy accounts receivable systems that exist throughout Government departments to FIS' centralized accounts receivable system. As part of this initiative, the Office of the Comptroller is developing accounts receivable policies and procedures to meet the needs of Government business operations.

Procurement Services

The section has experienced an increase in the volume of purchase orders created. The number of purchase orders created increased by 5.8%, with 13,546 being processed. The dollar value increased by 9.9% to \$29,509,242.

Tenders and RFP's issued have seen an increase in volume. The numbers of both combined increased by 35.3%, with 326 combined tenders and RFP's being issued. The dollar value increased by 23.1% to \$21,802,657. The section remains active in assisting and advising departments with their tendering requirements, while ensuring the *Public Purchasing Act* and Trade Agreements are followed.

The government PCard program continues to have significant volume, with \$1,687,383 in transactions being processed. This program continues to decrease the low volume purchases being processed. The section has seen a significant decrease in the volume of Local Purchase Order (LPO) books being issued.

The section continues to administer and maintain the Fleet Management System. There are 356 vehicles in the system. All tendering of vehicles is carried out by the section.

Over the past year, Procurement Services has provided support for negotiations on two (2) international Trade Agreements:

- The Canada - United States Procurement Agreement was signed on February 11, 2010; and
- The Canada - European Union Trade negotiations is on-going.

	2009/2010		2008/2009	
	Number	Amount	Number	Amount
Purchase Orders Issued	13,546	\$29,509,242	12,806	\$26,842,333
Tenders Processed	309	\$19,620,717	228	\$16,951,581
RFPs Processed	17	\$2,181,940	13	\$757,779
P-Card Transactions	9,126	\$1,687,383	8,949	\$1,706,128

Financial Information System

The Government's Oracle Financial Information System application was initially purchased as a named-user license and continuing support has been paid as such. Two other Oracle systems purchased and operated by Crown corporations were licensed in the same manner. With Government's purchase of other Oracle products, the license agreement was changed to an enterprise license to encompass all 3 financial application systems as a move to minimize additional costs for providing system access to more users and to coordinate system support.

Following the strategy to keep the financial application current by upgrading to the latest stable release available, preparation began for the next major Oracle Financial application upgrade to Release 12. As part of the upgrade process, the first phase to update the database to version 11g was completed.

The Oracle tool, Application Desktop Integrator (ADI), used to upload journals, update the chart of accounts and to download financial balances by accounts, will be upgraded from a desktop version to a web-based tool in Oracle Release 12. A limited group of users was upgraded to the web-based version to begin testing.

The testing on the Report Manager tool was completed with patching and configuration required to ensure full use of the tool. Reports were prepared and published, and initial setup was completed to use the Oracle system security to limit user access to the reports for their respective departments.

A number of smaller projects were also completed, including Discoverer reporting tool upgrade, Java upgrades on server and users' desktops, modifications to email remittance advice and the addition of codes to support the move of payment notification from the bank to the financial system.

Taxation and Property Records

Role/Mission

The mandate of Taxation and Property Records Division is to ensure fairness and equity in the application and collection of provincial tax revenues, and equity and uniformity in the production of provincial and municipal real property assessment rolls.

The Division is also mandated to develop, implement and maintain land-related information systems in the area of Corporate Geomatics, Registry of Deeds and Toponymy – the study of place names.

The mandate of the Division requires that services be co-ordinated and integrated with federal, provincial and municipal Governments and the private sector.

Overview

Taxation and Property Records Division

The Division administers the Province's property and consumption tax legislation and ensures the legislation is applied fairly and consistently. The Division also develops and maintains land-related information systems and collects tax revenue.

Provincial Tax Commissioner

Effective November 2008, Beth Gaudet was appointed the Provincial Tax Commissioner.

Administration Services

This section is responsible for:

- Providing overall administration of Taxation and Property Records including monitoring and reporting of provincial revenues, expenditure control, reconciliation of major revenue accounts and preparation of the annual budget.
- The section also maintains the Provincial Civic Address Program and Property Line Program, and provides property related geomatics products and services to other Government departments and agencies, and the private sector.

Audit, Collection and Inspection Services

This section is responsible for:

- Tax compliance activity, including the performance of consumption tax audits, IFTA and IRP audits and new vendor visits.

- This section is also responsible for the collection of Provincial consumption taxes in the most effective and efficient manner, with a minimum amount of hardship to the taxpayer.
- The applicable acts and regulations are the *Revenue Tax Act, Revenue Administration Act, Environment Tax Act, Gasoline Tax Act, Tobacco Tax Act* and related Regulations.

Tax Administration and Client Services

This section is responsible for:

- Providing tax administration and interpretation of the *Real Property Tax Act, Real Property Transfer Tax Act, Health Tax Act, Tobacco Tax Act, Gasoline Tax Act* and *Revenue Administration Act* and Regulations.
- Section staff provide processing of consumption tax returns and revenue and property tax payments and bank deposits
- All communications for the Division, including dissemination of tax information via hard copy brochures and websites are maintained and updated through this section.
- Preparation of the annual and amended property tax bills.
- Operation of the provincial land registry system, interpretation of all land-related documents and the provision of property mapping for Prince Edward Island.

Property Assessment Services

This section is responsible for:

- The annual assessment of all real property in the Province, as set out in the *Real Property Assessment Act* and Regulations, at the indicated market value.
- This value forms the basis for the levying of provincial and municipal property taxes.

- The administration of the Reappraisal Program, New Construction Program, Referral Program and the Appraisal Services Program. In addition the section is responsible for responding to real property appeals filed with the Island Regulatory Appeals Commission.

Report Highlights

Operational Plan

Taxation and Property Records formalized an operational plan and measured achievements against plan objectives in 3 strategic areas: Human Resource Management, Service to Taxpayers and Operational Efficiency.

Tobacco Tax Act

Following the introduction of the *Tobacco Tax Act* in the Fall of 2007, Taxation and Property Records introduced procedures for coordination of the provincial fines associated with contraband tobacco, and developed a suspension policy for retailers regarding tobacco related convictions.

From the fall of 2007 to March 31, 2010:

- 10 charges were laid under the new Act resulting in fines totalling \$922,200 for possession of contraband tobacco products.
- the Division issued 69 warning letters to tobacco retailers for failure to comply with the provisions of the *Tobacco Sales and Access Act*.
- 4 tobacco retailers had their tobacco retailers license suspended for violations under the *Tobacco Sales and Access Act*.

Interpretation Clarity and Quality Information for Taxpayers

Taxation and Property Records worked in consultation with members of the PEI Veterinary Medical Association to clarify and document rules for application of PST for that industry. Tax information available to

the medical supply industry was also enhanced.

Assessment Freeze for Three Years

One of the commitments of the newly elected Government in 2007 was a three-year property assessment freeze. This freeze will be in place until 2010.

During this period Taxation and Property Records staff developed several options for Government to consider when coming out of the freeze. The option chosen was to create a taxable value assessment for owner occupied residential assessments. This value would be subject to increases in the consumer price index for PEI for the prior year to a maximum of 5%.

In this way owners of owner occupied residential properties will be able to determine the increase in property taxes for a coming year by referencing the CPI.

As the CPI for PEI in 2009 was zero there was no increase in property taxes for owner occupied residential properties.

The market value of all properties will continue to be determined and reflected on the property owner's Notice of Assessment. However, provincial and municipal property charges for owner occupied residential properties will be based on the taxable value assessment. Property owners will continue to be able to refer and appeal their revised assessments.

Other Accomplishments

- Implemented a communication plan to promote the use of the EMERGIS system for on-line payment.
- Developed and recommended a feasible approach to “back scanning” required historical Registry Office documents.
- Reviewed common performance management methodologies and canvassed staff for input. The plan will be implemented in 2010/2011.
- Taxation and Property Records continued the development of online payment options.
- Completed initial business continuity planning phase which included the identification of risk areas within the Division.

Comparison of Division Activity Over the Three-year Period – 2007-2010

	2007- 2008	2008- 2009	2009- 2010
Tax payments received in offices	290,471	308,118	304,788
Documents registered and interpreted (Registry of Deeds office)	19,734	18,602	17,221
New parcels (property) created (Note 1)	1,231	1,059	891
Subdivision plans filed	832	806	849
Registered revenue tax vendors	12,442	13,136	13,594
Registered tax exempt permit applications (farmers and fishermen)	2,892	2,805	2,766
Properties assessed (as of municipal rolls date) (Note 1)	100,137	101,189	102,166
Property assessment referrals (first-level appeal) (Note 1)	792	366	456
Appeals to IRAC (property assessment related)	16	22	17
Provincial market value assessment (as of municipal rolls date) (Note 1)	\$9.8 billion	\$10.1 billion	\$10.4 billion
Market value of exempt properties (as of municipal rolls date) (Note 1)	\$937 million	\$945 million	\$1.0 billion
New construction reviews and new accounts (property assessed value)	\$202 million	\$160 million	\$187 million
Number of regular audits completed	97	36	77
Regular audit assessments	\$1.4 million	\$0.6 million	\$1.5 million
Number of special assessments issued	190	216	339
Special assessments	\$146,000	\$114,000	\$189,000
Tax Revenue	\$349 million	\$370 million	\$391 million
Registry Office Revenue	\$2.7 million	\$2.4 million	\$2.4 million
Beverage Container Deposit Revenue	\$0 million	\$5.8 million	\$6.5 million

Note 1 - 2007-2008 and 2008-2009 figures have been restated to conform with the presentation adopted for 2009-2010.

Provincial Planning and Municipal Affairs

Role/Mission

The role/mission of the Provincial Planning and Municipal Affairs Division is to work toward the sustainable planning and local governance of the Province.

Overview

Provincial Planning and Municipal Affairs

Prior to January, 2010, the Provincial Planning and Municipal Affairs branches were part of the Planning and Inspection Services Division in the Department of Community and Cultural Affairs.

Municipal Affairs

The Municipal Affairs Branch serves as the primary liaison between the Province, municipalities, municipal interest groups and the public. The branch provides advisory and consultative services, and maintains the legislative framework for the *Municipalities Act*, the *Charlottetown Area Municipalities Act*, and the *City of Summerside Act*. In addition, the branch is responsible for reviewing Official Plans for municipalities under the *Planning Act*. The branch is also responsible for the administration of the *Municipal Boundaries Act* and the *Municipal Debenture Guarantee Act*.

The branch is staffed by three permanent positions: a Manager, Senior Municipal Officer and a Municipal Officer (currently vacant). The branch had additional staff this year: a Senior Financial Municipal Officer contract position, a Junior Land Use Municipal Officer contract position, and a twelve month intern position (which began 01/04/2010).

The staff oversee and provide assistance and advice for various municipal processes such as formation, elections, amalgamation, boundary changes, meeting procedures, and the adoption of official plans and land use and subdivision bylaws. The branch maintains a municipal directory and database of municipal bylaws, municipal financing and municipal boundaries.

This year, the branch provided assistance to a number of municipalities under the *Municipalities Act* with the coordination of their elections. The branch also co-hosted an orientation session on November 28, 2009 with the Federation of Prince Edward Island Municipalities for newly elected and re-elected councillors. In conjunction with the orientation session and election the *Resource Handbook*, developed for municipal officials in 2006, was updated in 2009. The branch administers grants to municipalities under the Municipal Support Grant Program as well as the grants to the Federation of Prince Edward Island Municipalities.

The 2009-2010 Municipal Support Grant changes included:

- 2.6% increase over 2008-2009 funding to 12 municipalities responsible for streets and/or police services - this amounted to a \$480,000 increase.
- Equalization funding was fully funded again in 2009-2010 and amounted to a \$112,000 increase over 2008-2009 funding.

- Total increase in funding to municipalities for 2009-2010 amounting to approximately \$600,000.

The Senior Financial Officer (contract position) within the Municipal Affairs Branch has continued with the lead role in education, training, filing assistance, and analysis of the Municipal Financial Information Return (MFIR).

Provincial Planning

The Provincial Planning Branch is involved in the administration of the *Planning Act* and *Lands Protection Act*, as well as the maintenance of the legislative framework. With regard to the Land Identification Program, Provincial Planning is responsible for providing recommendations to Executive Council on applications to amend, suspend or cancel land identification agreements. This involves ongoing collaboration with incorporated municipalities, the Island Regulatory and Appeals Commission and other provincial departments.

In 2009-2010, a total of 44 applications involving 475 acres were considered and 3 applications involving 39 acres were denied, 2 applications were denied in part and the rest were approved with varying special conditions. From 2004 to 2010, there have been a total of 55,510 acres identified for non-development use, 4231 acres have had alterations approved and a total of 23 applications for alterations have been denied by Executive Council.

General advisory services to provincial departments and agencies are also provided by Provincial Planning in respect to the interpretation of legislation. Provincial Planning also offers advice on general land use planning issues to provincial departments as well as municipalities with approved statutory plans. In fulfilling its mandate, the branch is involved in research and monitoring of land use related trends.

The branch is staffed by four permanent positions: Manager, Senior Provincial Planner, Provincial Planner, and Research Assistant (currently vacant).

Commission on Land and Local Governance

In January, 2009, the Commission on Land and Local Governance was appointed to inquire into land use and local governance issues. The Province appointed Judge Ralph Thompson as Commissioner and Jean-Paul Arsenault as Executive Director.

In January, 2010 the Commission presented the report on Land and Local Governance, titled New Foundations, to the Premier.

The report made 40 recommendations. There are four key recommendations: develop a comprehensive land use planning framework; draft a new Municipalities Act; develop a new revenue sharing arrangement for municipalities; and, determine the consensus of Islanders on incorporation.

Provincial Planning and Municipal Affairs Division is the division responsible for implementation. Staff work closely with the Implementation Manager to provide support and work relating to the recommendations made in the report. The Division hired two additional staff on a casual basis; a Senior Policy Advisor to work on the new municipal act and a Policy Analyst to support the implementation of the recommendations.

The Province has endorsed the general direction of the report. Recommendations that require extended action or consultation will be going forward in collaboration with relevant stakeholders.

Appendix A

Department of Finance and Municipal Affairs

Expenses by Division

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Administration		
<i>Administration</i>		
Administration	27,426	21,700
Equipment	-	2,000
Materials, Supplies and Services	3,359	4,000
Salaries	458,499	491,700
Travel and Training	53,813	52,100
Total Administration	543,097	571,500
Fiscal Management		
<i>Debt, Investment and Pension Management</i>		
Administration	15,139	20,200
Equipment	3,512	5,700
Materials, Supplies and Services	3,817	67,600
Salaries	493,329	615,400
Travel and Training	28,291	28,100
	555,647	642,100
<i>Treasury Board Operations</i>		
Administration	20,716	22,600
Equipment	5,707	5,700
Materials, Supplies and Services	3,817	67,600
Salaries	493,329	615,400
Travel and Training	18,710	10,000
	542,279	721,300
<i>Pension and Benefits</i>		
Administration	15,606	13,600
Equipment	6,845	8,900
Materials, Supplies and Services	118	5,800
Salaries	793,160	794,900
Travel and Training	4,793	12,400
	820,522	835,600
<i>Corporate Administration</i>		
Administration	18,446	26,600
Equipment	328	1,900
Materials, Supplies and Services	-	1,900
Salaries	240,751	277,100
Travel and Training	-	2,900
	259,525	310,400

	Actual 2009/2010 \$	Estimate 2009/2010 \$
<i>Risk Management and Insurance</i>		
Administration	4,402	4,500
Equipment	-	800
Materials, Supplies and Services	1,887	800
Professional and Contract Services	47,124	48,000
Salaries	261,421	260,500
Travel and Training	594	5,600
	<u>315,428</u>	<u>320,200</u>
Total Fiscal Management	<u>2,493,401</u>	<u>2,829,600</u>

Office of the Comptroller

Accounting

Administration	23,532	26,000
Debt	149,904	-
Equipment	3,359	2,800
Materials, Supplies and Services	2,640	6,600
Professional and Contract Services	394	7,700
Salaries	1,034,503	1,037,800
Travel and Training	13,479	13,600
	<u>1,227,811</u>	<u>1,094,500</u>

Procurement

Administration	4,069	11,200
Equipment	1,739	5,400
Materials, Supplies and Services	302	2,200
Professional and Contract Services	-	1,700
Salaries	233,933	240,100
Travel and Training	2,595	3,100
	<u>242,638</u>	<u>263,700</u>
Total Office of the Comptroller	<u>1,470,449</u>	<u>1,358,200</u>

Taxation and Property Records

Administration

Administration	42,412	41,100
Debt	863,900	863,900
Materials, Supplies and Services	42,403	47,900
Salaries	270,255	299,000
Travel and Training	6,789	17,500
	<u>1,225,759</u>	<u>1,269,400</u>

Tax Audit, Collection and Inspection Services

Materials, Supplies and Services	235	-
Salaries	1,192,331	1,259,500
Travel and Training	70,442	90,000
	<u>1,263,008</u>	<u>1,349,500</u>

	Actual 2009/2010 \$	Estimate 2009/2010 \$
<i>Tax Administration and Client Services</i>		
Administration	90,604	100,700
Equipment	28,957	5,000
Materials, Supplies and Services	57,357	77,000
Professional and Contract Services	187,543	174,300
Salaries	1,780,004	2,004,900
Travel and Training	12,802	12,000
	<u>2,157,267</u>	<u>2,373,900</u>
<i>Property Assessment Services</i>		
Materials, Supplies and Services	5,212	7,400
Salaries	1,160,133	1,148,400
Travel and Training	70,901	79,400
	<u>1,236,246</u>	<u>1,235,200</u>
Total Taxation and Property Records	<u>5,882,280</u>	<u>6,228,000</u>
Information Services		
<i>Document Publishing Centre</i>		
Administration	583,441	548,700
Materials, Supplies and Services	583,376	707,800
Professional and Contract Services	296,450	270,900
Salaries	556,278	584,500
Travel and Training	685	1,200
	<u>2,020,230</u>	<u>2,113,100</u>
<i>Multimedia Services</i>		
Administration	7,848	11,700
Equipment	20,860	14,700
Materials, Supplies and Services	61,828	76,200
Professional and Contract Services	395	1,500
Salaries	484,645	542,900
Travel and Training	8,618	18,600
	<u>584,194</u>	<u>665,600</u>
<i>Strategic Marketing and Design</i>		
Administration	8,395	21,200
Equipment	10,344	10,000
Materials, Supplies and Services	17,368	19,600
Professional and Contract Services	9,000	-
Salaries	504,969	504,700
Travel and Training	83	1,800
	<u>550,159</u>	<u>557,300</u>
Total Information Services	<u>3,154,583</u>	<u>3,336,000</u>

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Information Technology Shared Services- Program Management		
Administration		
Administration	28,653	46,300
Equipment	7,836	12,000
Materials, Supplies and Services	24,693	6,000
Professional and Contract Services	724,412	115,400
Salaries	400,798	525,900
Travel and Training	12,355	34,800
Total Information Tech. Shared Services- Program Management	<u>1,198,747</u>	<u>740,400</u>
Information Technology Shared Services- Business Systems		
Administration		
Administration	79,969	64,500
Equipment	4,625	2,900
Materials, Supplies and Services	17,171	5,700
Professional and Contract Services	200	55,000
Salaries	128,291	139,900
Travel and Training	1,019	15,300
	<u>231,275</u>	<u>283,300</u>
Business Systems		
Administration	12,271	6,600
Equipment	449,288	144,800
Materials, Supplies and Services	2,224,651	2,542,600
Professional and Contract Services	4,087,384	4,404,000
Salaries	4,367,660	4,634,000
Travel and Training	127,487	110,300
	<u>11,268,741</u>	<u>11,842,300</u>
Total Information Technology Shared Services- Business Systems	<u>11,500,016</u>	<u>12,125,600</u>
Information Technology Shared Services- Infrastructure		
Administration		
Administration	79,896	85,700
Equipment	47	1,700
Materials, Supplies and Services	4,530	-
Professional and Contract Services	17,715	73,700
Salaries	318,449	346,900
Travel and Training	22,026	87,500
	<u>442,663</u>	<u>595,500</u>

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Infrastructure		
Administration	275,935	196,500
Equipment	1,694,115	1,166,700
Materials, Supplies and Services	2,057,835	3,139,400
Professional and Contract Services	577,695	455,000
Salaries	4,067,793	4,076,300
Travel and Training	137,622	144,200
	<u>8,810,995</u>	<u>9,178,100</u>
Total Information Technology Shared Services- Infrastructure	<u>9,253,658</u>	<u>9,773,600</u>
Economics, Statistics and Federal Fiscal Relations		
Economics, Statistics and Federal Fiscal Relations		
Administration	8,151	14,700
Equipment	-	8,200
Materials, Supplies and Services	3,180	4,200
Professional and Contract Services	59,550	40,800
Salaries	514,924	589,700
Travel and Training	43,450	48,700
	<u>629,255</u>	<u>706,300</u>
Total Economics, Statistics and Federal Fiscal Relations	<u>629,255</u>	<u>706,300</u>
Provincial Planning and Municipal Affairs		
Administration		
Administration	12,800	12,800
Materials, Supplies and Services	2,500	2,500
Professional and Contract Services	25,000	25,000
Salaries	191,000	191,000
Travel and Training	3,000	3,000
	<u>234,300</u>	<u>234,300</u>
Provincial Planning		
Salaries	256,700	251,300
Travel and Training	3,600	2,800
	<u>260,300</u>	<u>254,100</u>
Municipal Affairs		
Salaries	259,300	319,400
Travel and Training	42,200	8,200
Grants	22,607,300	22,480,400
	<u>22,908,800</u>	<u>22,808,000</u>
Total Provincial Planning and Municipal Affairs	<u>23,403,600</u>	<u>23,296,400</u>
Total Finance and Municipal Affairs Expenses	<u>59,520,986</u>	<u>60,965,600</u>

Appendix B

Department of Finance and Municipal Affairs

Revenue

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Federal		
Equalization	339,919,000	339,919,000
Canada Health Transfer	103,685,000	104,364,000
Canada Social Transfer	45,240,000	45,328,000
Base Funding for Infrastructure	42,000,000	42,000,000
Wait Time Funding	5,075,711	0
Health Reform	0	4,030,700
Miscellaneous - Trust Funds	10,034,294	9,998,700
Statutory Subsidy	678,965	679,000
Total Federal Revenue	546,632,970	546,319,400
Provincial		
Lottery Commission	10,487,812	13,041,700
Health Tax on Liquor	15,876,208	15,300,000
Tobacco Tax	34,572,700	31,000,000
Real Property Tax	90,112,747	89,500,000
Revenue Tax	204,363,795	201,800,000
Gasoline Tax	40,021,296	38,800,000
Corporation Capital Tax	4,167,810	2,300,000
Environmental Tax	684,560	700,000
Real Property Transfer Tax	3,105,849	3,600,000
Personal Income Tax	245,065,837	248,600,000
Corporate Income Tax	29,990,448	30,000,000
Registry of Deeds Fees	2,375,353	2,600,000
Self Insurance Rebate	327,209	319,700
Beverage Container	6,460,018	6,300,000
Other	1,423,783	1,395,100
Total Provincial Revenue	689,035,425	685,256,500
Total Departmental Revenue	1,235,668,395	1,231,575,900
Investment Income	9,236,673	9,809,300
Sinking Fund Earnings	12,475,947	14,875,000
General Government	80,968	0
Employee Benefits	251,721	170,300

Appendix C

Department of Finance and Municipal Affairs

Other Expenditure Budgetary Responsibilities

	Actual 2009/2010 \$	Estimate 2009/2010 \$
General Government		
Miscellaneous General	318,826	330,000
Grants	1,683,562	1,623,300
Government Insurance Program	1,312,859	1,353,400
Contingency Fund and Salary Negotiations	4,246,304	7,085,600
CUSO	1,563	-
Total General Government	7,563,114	10,392,300

Explanation Notes:

Miscellaneous General provides funding for the Premier's and Ministers' out-of-province travel, cabinet meetings, protocol-related expenses and unanticipated expenditures realized.

Miscellaneous Grants includes grants-in-lieu of property tax and other miscellaneous grants.

Government Insurance Program provides insurance coverage to all Government departments, and many Crown corporations, agencies and commissions.

Salary Negotiations: The budget for 09/10 was used for contract settlements in the Health Sector.

Contingency Fund: This allocation was used by Government for unanticipated or unusual costs that occurred throughout the fiscal year but had not been budgeted.

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Council of Atlantic Premiers		
Council of Atlantic Ministers of Education and Training	15,323	15,300
Council of Atlantic Premiers Secretariat	79,444	79,400
Maritime Provinces Higher Education Commission	96,626	96,700
Atlantic Provinces Community College Consortium	4,700	4,700
Total Council of Atlantic Premiers	196,093	196,100

Explanation Notes:

The Council of Atlantic Premiers is funded by the four Atlantic Provinces. Contributions are based on population and upon the recommendation of the Regional Treasury Board.

	Actual 2009/2010 \$	Estimate 2009/2010 \$
Interest Charges on Debt		
Debt	100,029,078	112,687,000
Total Interest	100,029,078	112,687,000
Amortization of Debenture Discount		
Debt	1,627,711	1,583,300
Total Amortization of Debenture Discount	1,627,711	1,583,300
Total Interest Charges on Debt	101,656,789	114,270,300

Explanation Notes:

Interest: Appropriations provided for the funding of interest cost associated with monies borrowed by the way of issuance of Provincial Debentures, Treasury Notes, as well as borrowing through the use of bank lines of credit and loans from the Federal Government and the Canada Pension Plan.

Amortization of Debenture Discount: Annual provision required in order to write-up, over the term of the debenture, the cost associated with debenture issues at a discount.

	Actual 2009/2010 \$	Restated Estimate 2009/2010 \$
Technology Asset Management		
Equipment Rental	1,768,703	2,100,000
Total Technology Asset Management	1,768,703	2,100,000
Employee Benefits		
Medical/Life Benefits	301,380	252,600
Employees' Future Benefits	13,927,487	14,407,600
Government Pension Contribution	58,845,489	65,249,400
Pension Management	689,260	502,200
Total Employee Benefits	73,763,616	80,411,800



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