



Annual Report

Finance and Municipal Affairs
2010-2011



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

**Annual Report
2010-2011**

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, 2011.



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 in a cursive style.

Wesley J. Sheridan
Minister

Table of Contents

	Page
Operating Principles Adopted by the Staff of the Department of Finance and Municipal Affairs	1
Legislative Responsibilities Assigned to the Minister	3
Organizational Chart	4
Departmental Overview	5
Departmental Profile	5
Tour d’horizon du ministère	7
Profil ministériel	7
Department Financial Summary	9
Divisional Reports	
Communications PEI	10
Economics, Statistics and Federal Fiscal Relations	16
Fiscal Management	20
Information Technology Shared Services	23
Municipal Affairs and Provincial Planning	28
Office of the Comptroller	31
Taxation and Property Records	38
Appendices	
Appendix A – Department Expenditures	42
Appendix B – Department Revenue	48
Appendix C – Other Expenditure Budgetary Responsibilities	49

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 support and assistance to Island municipalities and enhancing local governance;
- regulating land use and ownership;
- 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

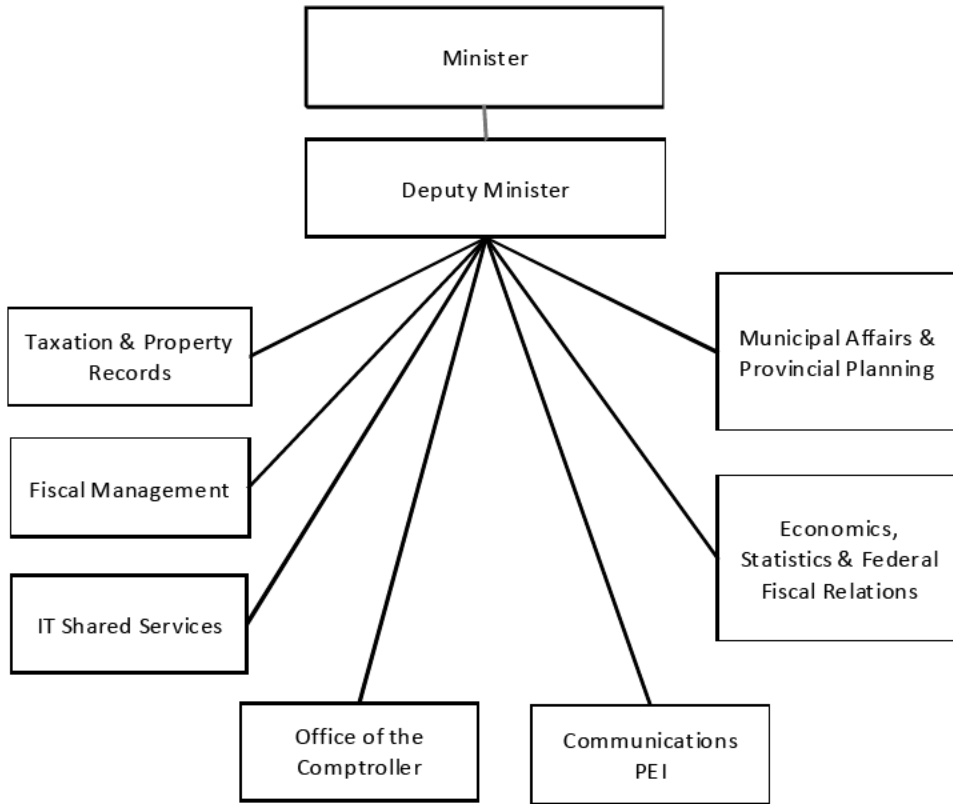
Assigned to the Minister of Finance and Municipal Affairs

As of March 31, 2011

Act	Division Responsible
<i>Appropriation Acts (Operating & Capital)</i>	Fiscal Management
<i>Charlottetown Area Municipalities Act</i>	Municipal Affairs and Provincial Planning
<i>City of Summerside Act</i>	Municipal Affairs and Provincial Planning
<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>	Municipal Affairs and Provincial Planning
<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>	Municipal Affairs and Provincial Planning
<i>Municipal Debenture Guarantee Act</i>	Municipal Affairs and Provincial Planning
<i>Municipalities Act</i>	Municipal Affairs and Provincial Planning
<i>Northumberland Strait Crossing Act</i>	Taxation and Property Records
<i>Planning Act</i>	Municipal Affairs and Provincial Planning
<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>	Communications PEI
<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

As of March 31, 2011



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

Communications PEI

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

Economics, Statistics and Federal Fiscal Relations

The Economics, Statistics and Federal Fiscal Relations Division 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 Division provides policy advice on Government expenditures and fiscal planning, develops the annual fiscal framework and prepares the Budget Estimates of Revenue and Expenditure. The Division also includes the Pensions & Benefits Section.

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.

Municipal Affairs and Provincial Planning

Effective January 2010, government reorganization resulted in Municipal Affairs and Provincial 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.

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 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. It also manages the assets of the pension funds and manages the cash, debt and Sinking Fund of the Province. It is also responsible for development, 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.

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.

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 des Finances et des Affaires municipales 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

Communications Î.-P.-É.

La mission de Communications Î.-P.-É. est d'améliorer le service de traitement de l'information du gouvernement en offrant aux ministères, aux sociétés de la Couronne et aux organismes toute une gamme de services de communication.

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. La Division s'occupe aussi de la section des pensions et des avantages sociaux.

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.

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.

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.

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 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. Le bureau gère aussi les actifs des caisses de retraite et administre les fonds de caisse, de créance et d'amortissement de la province. Il est 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.

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.

Responsabilités additionnelles du ministère

Le ministère des Finances et des Affaires municipales 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
- gestion de l'actif technologique

Finance and Municipal Affairs

Financial Summary

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Expenditure by Division**		
Administration	699,401	649,000
Communications PEI	3,531,461	3,720,400
Economics, Statistics and Federal Fiscal Relations	466,139	443,400
Fiscal Management	1,328,630	1,628,200
Information Technology Shared Services	23,897,939	26,477,800
Municipal Affairs and Provincial Planning	23,880,658	23,946,400
Office of the Comptroller	2,459,002	2,803,900
Taxation & Property Records	5,653,723	6,163,400
Total Department Expenditure	<u>61,916,953</u>	<u>65,832,500</u>
Other Budgetary Responsibilities**		
General Government	3,543,053	8,771,600
Council of Atlantic Premiers	191,872	192,200
Interest Charges on Debt	105,774,037	109,959,700
Employee Benefits	36,249,761	39,496,400
Revenue*		
Federal Sources	537,815,848	537,923,900
Provincial Sources	718,383,431	725,837,600
Investment Income	8,383,459	9,179,500
Sinking Fund Earnings	16,473,875	12,475,900
Employee Benefits	76,530	170,300

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

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

Communications PEI

Role/Mission

The role of Communications PEI is to provide communications advice and assistance to the Premier, Ministers and departmental staff to assist them keep Islanders informed and engaged in government programs, priorities and progress through a broad range of services including corporate communications, creative and printing services.

Overview

Corporate Communications

This section reviews and approves all government communications and plans and coordinates government-wide initiatives. Corporate Communications provides writing, editing and clear communications support; video planning and support; social media planning and support; and assistance in planning special projects in collaboration with departmental communications officers.

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

These sections provide professional publishing and distribution services to all Provincial Government departments and agencies.

Office of the Queen's Printer

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

PEI Mail

- Responsible for central processing of Provincial Government mail;
- Processes outgoing mail through Canada Post software;

- Executes envelope insertion service for notices, cheques, payroll advices and renewal letters;
- Provides sorting and distribution for interoffice courier mail service delivery across the Province;
- Delivery and pickup of all regular mail throughout the Provincial Administration Building Complex; and
- Provides monthly statements for cost-tracking and mail volume per department through postal management system.

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 production color and black output; and
- 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; and
- 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; and
- shipping and receiving of paper products and printed materials.

Multimedia Services

Multimedia Services Section provides a wide range of audio visual support services including:

- **Video and Radio Production** provides expertise in camera operation, on-line and off-line 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; 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, and equipment and technical support for the 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, and in-shop repairs to government audio-visual equipment and technical support for broadcast equipment of the Provincial Legislature.

- **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

This section of Communications PEI provides service to all Government departments and agencies in the following areas:

Strategic Marketing and Media Plans – the section develops and implements strategic marketing and media plans for departments, agencies and specific events.

Advertising Design and Production – the section advises on strategic copy and prepares the layout and artwork for a variety of media in accordance with the Government of PEI's corporate identity guidelines.

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

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.

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.

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.

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

Corporate Communications

Corporate Communications staff were involved in the development of policies to support a more centralized communications structure, tools to improve communications products, and systems to keep departments and agencies informed of government-wide communications activities.

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

This past year, the section produced over 4,481 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 and Early Childhood Development curriculum books and assessment documents.

The major project this year was the printing and distribution of the provincial property tax and assessment statements for the Department of Finance and Municipal Affairs. 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 110,000 property tax assessment notices.

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

One of the goals for 2010/2011 was to replace the existing end-of-life Print Shop Management software with a more versatile software program. The focus was to improve inventory tracking and reporting, better management of internal work requisitions and integration with

Oracle financials to invoice clients. The other main goal was to replace the two black ink digital production printers which were at the end of their leases. The Document Publishing Centre partnered with Procurement Services and ITSS to issue a public RFQ for the required digital print hardware and software. The winning RFQ proposal came from Xerox Canada Ltd. to supply, train staff and provide service support for two digital print production systems. The new print engines are Nuvera 144 with programmable Free Flow front end software. Each printer produces black ink documents at 600 x 600 dpi at speeds of 140 impressions per minute when printing 8.5" x 11" paper.

The printer specifications allow for one printer to produce booklet format documents with a square edge spine. The second Nuvera printer is configured to produce in-line punched documents which are ready for coil binding as soon as they are printed. Each print server allows personnel to custom program, proof and archive each job file submission from the hold print queue. The Nuvera printers also have standard finishing options such as: stacking, stapling and thermal tape binding. Customer job files can be forwarded to either printer to assist with job scheduling and job completion.

Upgrading the black production printers was essential to keeping job turn around times on target and also reducing service down time.

Production Statistics:

- Completed 4,481 Printing Requisitions
 - Digital black prints: 8,070,403
 - Offset press prints: 4,950,122
 - Digital full color prints: 906,114
- Total production prints: 13,926,639

PEI Mail:

- Inserted Mail items: 420,543
- Meter Mail items: 500,110

- Xpress Post and Priority Post items: 3,212
 - Pre-paid Certified mail items: 8,266
 - Purolator Courier items: 43
 - Pre-paid Indicia mail items: 130,633
- Total Mail items processed: 1,062,633

Multimedia Services

Video and Audio Production

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

Videos

- Harness Racing Awards Video (Agriculture)
- Harness Racing Symposium Video (Agriculture)
- Licensed Practical Nursing Video (Health and Wellness)
- (3) New Emergency Room Videos (Health PEI)
- Nursing Leadership Session Video (Health PEI)
- On-line Gaming Video (Finance and Municipal Affairs)
- Hansard Conference Welcome Video (Speakers Office, Legislative Assembly)

Social Media/Web Videos

- Regis and Kelly Press Conference Video
- New P.E.I. Convention Centre Video
- New Stratford School Video
- Build PEI-Souris Main Street Video
- Souris Main Street Completion
- Premier Ghiz address to PEI Teachers Federation Conference
- Build PEI-Indian River Festival Video
- Expansion to Island's Aerospace sector in Summerside
- Cabinet on the Road-Tignish, Montague and Summerside
- Virtual Tour New Montague Regional High School
- Official Opening New Montague Regional High School
- Premier Ghiz Diplomatic Forum Address
- Throne Speech Video Highlights
- Energy Accord Video
- Premier's Christmas Message

Premier's State of the Province Address (Part 1:
Electricity Rate Reduction, Part 2: Maritime
Electric's Debt)
Premier's Medal for Innovation Video

Commercials

(3) GO PEI Commercials (Health and Wellness)
Buy PEI Commercial (Agriculture)

Audio Production

Farm Market Report
Forestry Report
Public Service Announcements
Sport PEI Program
Tourism Voice Over (Toll free lines)
Tourism Voice Over (Northumberland Ferries)
Back to School/School Bus Safety commercial
Premier's Christmas Message

Key Multimedia Services Statistics

Audio and Video Production Requests	151
Press Conferences, Other Conferences and Special Events	246
Photography shoot assignments	462
Service calls for audio-visual/equipment repairs	206
Equipment loan request	857
In-shop Repairs	116

Strategic Marketing and Graphic Design and Island Information Service

During the year the section executed over 3,800 separate projects for the Premier's Office, Government departments, agencies and Crown corporations.

Strategic Marketing and Graphic Design worked closely with the Department of Education and Early Childhood Development on preparation of Literacy Assessment tests given to students Island-wide to measure literacy skills.

In addition to the assessments, informational brochures, teachers' guides, letters to parents and student reports were designed.

The section carried out electronic production and delivery of Government advertisements for print media, designing and producing over 500 ads for local and regional newspapers and magazines.

The team responsible for the Government website continued to investigate and develop enhancements to improve navigation and appreciable growth in the use of social media.

On average, there are 10,000 visits to the official website of the Government of Prince Edward Island each day. Top content is information about government job opportunities, road cameras and road conditions, public archives and the Island Cam.

Communications PEI continued to work to improve electronic, web-based communications. The web content team, in partnership with ITSS, provides creative, timely and cost-effective web development services so that departments, agencies and boards can inform and engage their audiences on-line.

An environmental scan of Federal Government departments and provincial governments identified that most are also using social networking and social media for communications outreach. On behalf of the Government of PEI, Communications PEI began to adopt the use of social media tools, namely Facebook and YouTube for strategic communications and engagement purposes.

Island Information Service distributed 551 news releases and 180 media advisories for Provincial Government departments and agencies. Staff mailed out over 400 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 2010/2011

Advertisements	532	Greeting Cards	20	Programs	8
Booklets	142	Handout/flyers	87	Reports	26
Brochures	115	Invitations	47	Royal Gazette	55
Business Cards	1,016	Letterhead	183	Signs	37
Certificates	54	Newsletters	26	Trade Show Displays	11
Document Covers	158	Note Pads	20	Web Design	89
Envelopes	328	Posters	47	Other	204
Forms	585	Presentations	15	Total Projects	3,805

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 section is on federal transfer payments, income tax issues, statistical reports and economics analysis for Government. The section's role includes responsibility for analyzing, researching and publishing key statistical information/data, and in disseminating statistics across Government. The section 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 of Finance and Municipal Affairs 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.

The section's role includes responsibility for analysing, researching and publishing key statistical information/data, and in disseminating statistics across Government. The section 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.

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 involved with this work.

Federal Provincial Fiscal Issues/Transfers

The Division conducted analysis and provided advice on changes to the federal transfer programs. The Division was active in reviewing and analyzing proposals to renew federal transfer programs which are set to expire at the end of 2013/14.

Provided support to Minister and Deputy on federal provincial initiatives relating to the development of Pooled Retirement Pension Plans (PRPPs), improving financial literacy of Canadians, and proposals for a modest, fully-funded, phased-in approach to increase coverage and adequacy of Canada Pension Plan benefits.

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 2010 Budget Paper A: Background Notes on the Economy which consists of National and International Review, Provincial Highlights 2010, the Prince Edward Island Economy, Detailed Industry Analysis and Summary Statistics. The reports provided analytical support to the drafting of the Budget Address. The section also produced the Provincial Economic Update in late fall 2010.

The Province's economic situation 2010/2011 was presented to the following bond rating agencies: Moody's, DBRS, and Standard and Poor's. A presentation on the Island's economic and fiscal situation was delivered at the 20th Annual Atlantic Canadian Investment Seminar at Brudenell, by the Minister of Finance and Municipal Affairs. 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 Edmonton, Alberta and also the Transfers Sub-committee meeting in Ottawa. The Division continues to participate in the Federal-Provincial Labour Market Information Network, and liaises with other Federal government departments on various topics.

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 worked with the Canada Revenue Agency to examine the role Canadian Transnational Trust Corporations operating within PEI, and further provided briefing and background information to the Minister regarding these entities, as well as the related tax implications both provincially and federally. The Division produced technical amendments to the *Income Tax Act* relating to federally initiated changes to the Dividend Tax Credit. These amendments were passed in the spring session of the legislature.

Working in conjunction with the PEI Securities Office, the Division introduced the *Community Development Equity Tax Credit Act* and Regulations. The Act was passed in the Fall session of the Legislature.

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 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

The Division supported the development of a *Statistics Act* for PEI that was tabled and passed by the Legislature in the Spring of 2010. The Division also supported the development of Community Accounts for PEI, a new statistical resource that provides community level statistical data.

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 Division 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 Division responded to many specific requests in 2010/2011, including work for the Departments of Community Services, Seniors & Labour, Health & Wellness, Education & Early Childhood Development, Finance & Municipal Affairs, Agriculture and Environment, Energy & Forestry, the PEI Population Secretariat, the Municipal and Land Use Planning Secretariat, Skills PEI, as well as numerous requests for statistics from the public sector.

The population model continues to be a popular tool for population projection 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 and Deputy Minister on Canada Pension Plan financial and policy issues. The Division assisted and advised the Minister in the triennial review of the Canada Pension Plan and co-ordinated the provincial Order-in-Councils agreeing to the changes in Bill C-51.

The Division provided technical and policy support to the Minister and Deputy Minister regarding proposals for a modest, fully-funded, phased-in approach to increase coverage and adequacy of Canada Pension Plan benefits.

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. It includes Fiscal Management, Treasury Board Operations and Pensions and Benefits for the department.

Overview

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.

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 6,800 contributing members spread across 16 participating employers. There are about 2,900 individuals (retirees, surviving spouses and dependants) in receipt of monthly benefits from the CSSF.

There are four participating employers in the Teachers' Superannuation Fund (TSF) with approximately 1,800 contributing members.

There are also about 1,400 individuals in receipt of monthly benefits from the TSF.

There are 27 active contributors in the MLA Pension Plan and about 80 individuals in receipt of monthly benefits.

Report Highlights

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) 2011. For the Spring sitting, the section provided the 2010 Budget Address, the Operating Estimates of Revenue and Expenditure and the 2010 *Appropriation Act* (Current Expenditures 2011), 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 section 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 bargaining negotiating teams.

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.

Pensions and Benefits

The Pensions and Benefits section has fiscal, operational and policy responsibilities for employer-sponsored pension programs and retirement payments. This section also has fiscal responsibility for worker's compensation, certain aspects of group insurance, and other employee benefits (ie. vacation, sick leave, etc.). The section's resources are dedicated primarily to:

the administration of the Civil Service Superannuation Fund (CSSF), the Teachers' Superannuation Fund (TSF) and the MLA Pension Plan.

The Pensions and Benefits section provides leadership and direction to both employees and employers across the public sector with regard to the administration of pensions and 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 seeking additional information on their pension plan. The Department of Finance and Municipal Affairs is committed to providing ongoing education to its staff to ensure that a high level of knowledge and proficiency in the area of public sector pension benefits is maintained.

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) The ITSS Division 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 five divisions.

Business Application Services Division

The Business Application Services Division provides support to Government departments in the acquisition, development, support and maintenance of systems. The scope of the division responsibility can be characterized into five areas: Application Development, System Support, Data Services, the Project Management Office, and the Clinical Information System (CIS).

Business Infrastructure Division

Business Infrastructure Division is responsible for providing leadership in the planning, operations, and support of network and server communications including voice services and for providing client and technical support across Government through logging and tracking of incidents and requests, telephone support and onsite technical assistance. The scope of the division responsibility can be characterized into three areas: Service Desk, Operation and Projects.

Corporate Operations, Finance and Planning Division

The Corporate Operations, Finance and Planning Division is responsible for providing IT governance support; setting corporate policy; budget and administration coordination; ensuring responsible and accountable investment and financial management; and participating on Federal, Provincial and Territorial committees.

Client Services Division

The Client Services Division is responsible for providing client departments with proactive, responsive and high quality client services.

Enterprise Architecture Services Division

The Enterprise Architecture Services Division is responsible for setting Government-wide standards in IT; developing the overall information technology architecture of Government; and implementing security practice through the Office of Information Protection.

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 Division 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 Division's 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 vendor
- Quality of ITSS policies and standards
- Monitoring compliance with TB/ITSS policies and standards including IT security
- Contribution to corporate initiatives

Report Highlights

Agriculture

- Implemented new Federal Agriculture Reporting Management System
- Developed and implemented Growing Forward

Office of the Attorney General

- Provided RCMP Harmonized Threat Risk Assessment (TRA)

Community Services, Seniors and Labour

- Implemented Facilities Management System for Housing
- Completed ISM Functionality Upgrade
- Completed review/redesign for Financial Assistance, Disability Support and Day Care assessments and documents
- Provincial Safety Management System (PSMS) replaced

Food Technology Centre

- Sensory Testing System - Research, plan, purchase and implement hardware and software for new testing system

Education and Early Childhood

Development

- Atutor Upgrade
- Bluefield/Kensington Lab Replacement
- CAP PEI2011 Website build
- Content Management in Sign-up Application
- Laptop and Cart configuration (Holman's)
- Laptops for 2 French schools and 4 staff
- Nu City Plaza Office (Western School Board)
- Replacement of Alt-Ed computers at Rural
- Students Achieve Upgrade
- STAS.edu.pe.ca application re-write
- Printer Replacements in CIT Classes
- BAS2000 Upgrade
- GroupWise Client for Teachers
- Microsoft Office Implementation
- PEIWS5 Replacement (Server Upgrade)
- Education Staff Relocations in Charlottetown and to Holman's Building
- Trevlac Upgrade
- Elm Street Student/Technology Relocation and Re-opening
- Spring Park/Morell Consolidated Student/Technology Relocations
- Firewall/Netsweeper Redesign

- Integrated Library System (KOHA)
- Kindergarten moving into public schools
- Lucy Maud Montgomery/Sherwood Elementary/Westwood Elementary School Expansions
- Montague High/Stratford Elementary School Build Projects
- Network Make-Over in 15 schools
- School PC Image upgrade
- Created over 20,000 student accounts in preparation for the 2010/2011 school year

Environment, Energy and Forestry

- Implemented LIMS system into Water Lab
- Developed Energy Efficiency Loans & Grants application
- Provided RCMP Harmonized Threat Risk Assessment (TRA)

Finance and Municipal Affairs

For Pension Benefits:

- Upgraded the Great Plains Application for Office of the Comptroller
- Implemented Performance Management application (Hyperion)
- Implemented Financial Information System (FIS) R12 Upgrade

For IT Shared Services:

- Implemented BITS application (BAS/BIS Inventory Tracking System)
- Implemented Clarity 12
- Enterprise Back-up & Recovery - Data Domain Phase 4
- Upgrade BOE Server Hardware/ Software
- Established enterprise architectural principles for PEI
- Formed process and methodology for services offered by EAS
- Hired Enterprise Architect
- Established resources in the Office of Information Protection
- Trained Staff in Security Investigation
- Trained staff in RCMP Harmonized Threat Risk Assessment (TRA)

For Taxation and Property Records

- Redeveloped Tax Bill Look-up System
- Completed Microfilm Digital Conversion Project
- Performed GIS Evaluation and completed GIS Upgrade Pilot Project
- Performed migration review for Tax Exemption System
- Purchased Microfilm Scanner for Registry Office
- Incorporated IFTA Audit Functionality
- Oracle 10g Database and Server Upgrade and Implementation

For Treasury Board

- Implemented solution for on-line access of Treasury Board submissions for Treasury Board members

For Communications PEI

- Implemented new Print Shop Order/ Inventory Solution called Avanti

Health and Wellness/Health PEI

- Completed Privacy Impact Assessment/ Threat Risk Assessment for PEI Cancer Treatment Centre
- Implemented ADT interface for National Rehab Reporting System and Grasp nursing workload tool
- Expanded Cactus coding/abstracting system into Hillsborough Hospital
- Implemented new Glucometers in Hospitals and long term care facilities
- Migrated all Picture Archiving and Communication System (PACS) studies to SAN storage
- New Cancer Registry System (Oncology) implemented
- Implemented TMV on tablets
- Enabled Physician editing of Dictaphone dictated documents within CIS

- Completed Radiology Information System (RIS) upgrade
- Provincial Safety Management System (PSMS)
- Adolescent Care Facility - Building A designed, built, configured
- Health moves as part of Health PEI & Wellness split
- Youth at Risk/Addictions space fit up at Enman Crescent
- CIA Study to review plans, current configuration and capacity to develop longer term plan for consolidation of server assets, domains, network configuration, etc.

Health Systems - Non-Acute

- Integrated Claims System/Drug Information System(ICS/DIS)
- Infrastructure Upgrade for UAT and PROD DB
- ICS/DIS Release
- DIS Audit Reports, Service Statistics Report modified (Dental), Amount spent per Family report created (Dental)
- ICS/DIS Infrastructure Stability work (multiple phases): Replacement of 3 Firewalls, Infrastructure hardware and DB redundancy added, Test environment redundancy implementation, IPSEC Device Transition, and ICS/DIS Hot Backups
- Performed Vendor Conformance Testing
- Retro completed
- iCore-Automated process developed for deploying ENC files
- Drug Formulary Editor Development and Deployment
- Vital Statistics/National Routing Service Introduced Release
- Participated in Service Canada NRS Project
- Health Financial System Upgrade
- Implemented Oracle Report
- HFS Server Migration
- Fieldworker/EHIS Audit/Report Review
- HealthCare Futures/Nursing Student Summer Employment Database Updated
- Integrated Services Management, Health

- PEI, completed modifications to support new Home Care Model of Care; completed Home Care data extracts for Health Information Unit; completed ISM Functionality Upgrade; and ISM Oracle Server & Database Upgrade
- Integrated Services Management, Health and Wellness, completed data
- Extracts for Chief Health Office; completed ISM Functionality Upgrade; Community Hospital/Beechwood expansion; design and planning of Colville/Maplewood Manors; and PE Home to AA building moves

Health Systems - Acute

- Radiology Information System (RIS) upgrade
- QEH Emergency - Planning, design, procurement and implementation
- QEH Network Backbone Re-Design - Year 1 of a 2 year project
- Operating Room Wiring
- ECG Management (Tracemaster Vue) Implementation
- Spectralis System Expansion
- CIS QEH Day Surgery-Fit-up of LAN room
- CIS Wireless & Tablet Stability-Phase 1
- CIS Alpha Addition
- CIS PCLA - Implementation of power chart local access software
- PCH installation of Air conditioners and UPS-in progress

Innovation and Advanced Learning

- Implemented new Passport to Employment (PTE) application for Skills PEI.
- Starting development of job portal/website for Population Secretariat
- Internship Program - Phase 2
- Implemented several changes to One Client Service Model (OCSM) Application
- PEI Lending Agency move to Homburg Office Building

Justice and Public Safety

- Implemented a new Maintenance Enforcement Program (MEPS)
- Implemented Crown Attorney Record Management Application (CARMA)
- New Build - Sleepy Hollow - 48 bed expansion
- Provided RCMP Harmonized Threat Risk Assessment (TRA)

Tourism and Culture

- Upgraded the Jencess Golf Management System
- PCs for VIC Touchscreen Kiosks - Plan, Purchase, Install and configure
- Kiosks for Ferries - Scope, procure and implement touch screens for the ferries
- Implemented new live streaming system for the Legislative Assembly
- Implemented the new SLIQ system for audio recording for Legislative Assembly
- Document the recovery process for Legislative Assembly
- Upgrade/replace laptops for 16 MLAs
- Stratford LCC Build -Planning of the network design and implementation

Corporate

(For the benefit of all Departments and Agencies)

- Air conditioner installation PAB complex
- UPS completion PAB complex
- GroupWise environment upgrades
- Xerox Deployments
- Server consolidations and virtualization
- Software deployment and license management (MS products)
- Facility improvements (upgrade of infrastructure components)
- Implementation of McAfee Antivirus and malware
- Expansion to Connect PEI fiber network
- In progress Active Directory strategy and migration
- In progress server strategy and migration
- Implementation of main communication switch (PAB complex)
- Configured over 250 Blackberries; created over 1,800 new user accounts.

Municipal Affairs and Provincial Planning

Role/Mission

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

Overview

Municipal Affairs and Provincial Planning

In 2011, the Division was officially renamed Municipal Affairs and Provincial Planning.

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 support from additional staff this year: a Senior Financial Municipal Officer contract position, a Junior Land Use Municipal Officer contract position, and an intern position.

Staff oversee and provide assistance and advice for various municipal processes such as

formation, elections, amalgamation, boundary changes, meeting procedures, 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.

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).

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 2010/2011 Municipal Support Grant changes included:

- Grant funding for servicing municipalities included an increase over 2009/2010 to the six municipalities (excluding Charlottetown & Summerside) responsible for roads. This increase amounts to \$222,472.
- Grant funding for servicing municipalities was increased by 1% over 2009/2010 for each municipality providing police and/or street services.

- The total increase in funding for the 12 servicing municipalities amounted to a \$411,486.
- Equalization funding was fully funded again in 2010/2011 and amounted to a \$100,747 increase over 2009/2010 funding.
- The Equalization funding included the final year of transition funding for 23 municipalities no longer eligible to receive funding at previous levels.
- Total increase in funding to municipalities for 2010/2011 amounted to approximately \$512,233.

Provincial Planning

The Provincial Planning Branch maintains the legislative framework for the *Planning Act* and *Lands Protection Act*. It is also responsible for overseeing the creation of new provincial land use and planning policies as required.

The Branch is staffed by four permanent positions including: a Manager of Provincial Planning, a Senior Provincial Planner, a Provincial Planner and a Research Assistant.

The Provincial Planning Branch provides general advisory services to other provincial departments and agencies with respect to the interpretation of legislation pertaining to lands protection and land use planning. It offers guidance, assistance and support related to general land use planning to municipalities with approved statutory plans and other provincial departments.

The Provincial Planning Branch also has responsibility for providing recommendations to Executive Council on applications to amend, suspend or cancel Land Identification Agreements although the Island Regulatory and Appeals Commission (IRAC) has responsibility for the general administration of the Land Identification Program. This work involves ongoing collaboration with IRAC, incorporated municipalities and other provincial departments.

The Provincial Planning Branch is engaged in ongoing monitoring, analysis and evaluation related to a wide variety of land use issues and trends. This allows staff to identify the need to modernize legislation. Research conducted by the Branch also has great potential for supporting municipalities in their work by increasing access to relevant research and engaging the general public on land use issues.

Report Highlights

- The Municipal Affairs Branch has reviewed 27 municipal official plan and land-use bylaw amendment submissions from municipalities. Several municipal bylaws that did not pertain to planning were also filed. However, those bylaws did not require review and ministerial approval.
- Two amendments have been made to municipal legislation. The *Charlottetown Area Municipalities Act* was amended to modernize provisions pertaining to Victoria Park and an amendment was made to reflect

the maximum rate permitted for the Charlottetown tourism accommodation levy.

- The Municipal Affairs Branch conducted a review of municipal fire departments throughout the province to ensure consistency with business enterprise standards established by Government.
- The Municipal Affairs Branch is working to draft new municipal legislation. This initiative included the formation of a steering committee and working sub-committee.
- The Municipal Affairs Branch continues to focus on developing and delivering local governance education to municipalities throughout the province.
- The Division continues to work to facilitate implementation of key recommendations contained in the *Report of the Commission on Land and Local Governance*. The Report, submitted to Government in 2009, articulates 40 wide-ranging recommendations intended to provide a framework for establishing a comprehensive approach to land use and local governance in the province.
- Christine MacKinnon has been seconded to the Division to oversee the implementation of the Report. Furthermore, the Provincial Planning Branch worked to renew and reinvigorate the Land Use Coordinating Committee.
- It is anticipated that a Land Use Policy Task Force will be named in 2012 to begin the public consultation process.
- The Provincial Planning Branch reviewed a total of 41 land identification applications involving 185 acres: 5 applications involving 44 acres were denied; 2 applications were denied in part; and the rest were approved with varying special conditions.
- From 2004 to 2011, there have been a total of 43,634 acres identified for non-development use. 3,979 acres have had alterations approved and a total of 29 applications for alterations have been denied by Executive Council.
- Increasing mapping capacity is a key priority area of work for the Division. Since 2009, the Branch has continued to build an effective GIS-based laboratory. In addition, the Branch has built a significant inventory of information that will enable policy development and is intended for sharing with municipalities and other entities. Furthermore, the Branch has successfully made the transition to new desktop mapping software in order to improve efficiency and collaboration with other departments within the Province.

Office of the Comptroller

Role/Mission

The Office of the Comptroller's primary responsibility is to operate and maintain the Province's corporate accounting system, and to produce the Public Accounts of the Province. It also administers the corporate procurement service for departments and crown agencies, embracing the principle of competitive procurement. Its primary mission is to manage the Province's accounting processes and present financial statements that are as transparent and meaningful as possible to the Legislature and the Public.

The Comptroller is also responsible for Debt, Investment and Pension Management, Self Insurance & Risk Management and the Corporate Administration for the department.

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. The accounting section works with departments to ensure accurate recording of transactions, both revenue and expenditure, and the proper management of supporting documentation for those transactions. It provides support to financial system users and monitors financial transactions for accuracy as well as assisting users with reporting requirements. It oversees and manages a number of processes which interface with the financial system. The section plays a role in managing revenue from the Government of Canada, monitoring agreements to ensure that transactions are recorded properly and that amounts due are collected efficiently. It also administers the Canada Revenue Agency Set-Off Program for the Province.

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 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. The section also produces payments for a number of programs including; ISM - the Province's social services case management system, LMDA - Labour Market Development Agreement and MEPS - Maintenance Enforcement Program. 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, those received and those due to the Province. The section administers a number of electronic interfaces from other IT systems which record revenue and also assists in the reconciliation of funds received to amounts recorded in the financial system.

Procurement Services

This centralized function is responsible for the timely and economical procurement of goods and services. 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.

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 business processes are maintained or enhanced,

as well as responding to financial corporate reporting needs.

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.

Self Insurance and Risk Management

The Self Insurance and Risk Management 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 their clients deliver to the general population.

Debt, Investment and Pension Management

Banking

The Debt, Investment and Pension Management Section is responsible for the Province's day-to-day banking. The 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 some 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 Section's 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.

Report Highlights

Accounting

The Accounting Section undertook a number of initiatives in 2010-2011. As a result of government restructuring in January 2010, changes to Government's accounting structure were made effective April 1, 2010. Guidance on the implementation of these changes, including administrative requirements such as changes in signing authorities, was provided to departments. The Oracle Fixed Assets module

was implemented and used to provide numbers for the March 31, 2011 Public Accounts. This module will provide a number of benefits including: more efficient use of personnel resources, reduced likelihood of errors and improvement in the process of providing budget and forecast information to Fiscal Management. Work continued on improving reporting available to FIS users. In addition to efforts within the Section, two staff participated on a

government Corporate Reporting Committee whose objective was to provide user friendly financial and human resource reporting to senior management. The Section participated in a government-wide Business Continuity Planning project. Identification of the services whose loss, due to a business interruption, would have the greatest impact was carried out and contingency plans were developed.

Considerable effort and resources continue to be used each year to keep the Province's financial system up-to-date and responsive to the needs of users. This includes software upgrades, working with users on improving processes and ongoing work with interfacing systems which transfer information into and out of our system.

Volume 1 of the Public Accounts for the year ended March 31, 2010 was completed and released in November 2010, the same release date as the previous year. Based on a review of the Province's nine crown agencies previously classified as government business enterprises (GBEs), it was determined that three of the agencies; PEI Grain Elevators Corporation, Island Regulatory and Appeals Commission and Summerside Regional Development Corporation were incorrectly classified as GBEs. For the 2009-2010 Public Accounts, they were re-classified and treated as other government organizations. This change was applied retroactively and 2008-2009 numbers were restated accordingly. The only other significant change in financial statement presentation for 2009-2010 was the presentation of additional information related to actuarial valuations and estimates used to calculate the Province's liability for retirement and other future employee benefits. This information was presented in Note 9 - Pension, Retirement and Other Obligations.

The Accounting Section continued its ongoing review and evaluation of changes, and proposed changes, to Public Sector Accounting Board (PSAB) standards. These changes have an impact on the content and presentation of information in the Province's Public Accounts. Significant changes to the Handbook were: Section PS 3510 - "Tax Revenue" was added in February 2010, these new rules take effect April 1, 2012. Section PS 3260 - "Liability for Contaminated Sites" was added in June 2010, these new rules take effect April 1, 2014. Section PS 3410 - "Government Transfers" was revised and replaced in March 2011, these new rules take effect April 1, 2012. Discussion took place on proposed changes to the Handbook including; "Related Party Transactions" and "Financial Instruments". Discussion also continued on the impact of the adoption of International Financial Reporting Standards (IFRS) in Canada. Six of the Province's Crown Agencies will be converting their accounting standards to IFRS effective April 1, 2011 and the other Crowns will be converting to PSAB standards.

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 looking forward to the opportunity to revisit existing policies.

The number of invoices and payments have increased from the prior year as well. This is due in part to bringing the Maintenance

Enforcement invoicing into Oracle. The Section continues to promote the use of electronic payments to reduce department costs in the year ending March 31, 2011.

More high dollar value transactions are being negotiated electronically which translates into about 86% of all government payments.

	2010/2011		2009/2010	
	Number	\$ Amount	Number	\$ Amount
System Vendors New	7,608	n/a	7,708	n/a
System Vendors Updated	8,371	n/a	2,031	n/a
Vendor Sites New	10,737	n/a	10,431	n/a
Vendor Sites Updated	4,588	n/a	4,330	n/a
Invoices Processed	299,558	\$1,641,104,959	266,937	\$1,477,006,277
Batches Processed	17,430	n/a	17,829	n/a
Procurement Card Transactions	9,025	\$1,662,090	9,126	\$1,687,383
Payments issued – Cheques	102,464	\$143,756,549	99,559	\$185,337,360
Payments issued – Electronic	66,157	\$878,484,247	53,754	\$832,360,368
Payments issued – Internal Clearing	309	\$19,954,864	215	\$8,166,750

Accounts Receivable

In 2010-2011, the Section continued in its efforts to encourage departments to move various legacy accounts receivable systems to Government's central financial system. Staff also continued to provide consultation on the development of new interfaces into FIS as well as upgrades and other changes to existing interfaces.

Procurement Services

The Section has experienced a slight increase in the volume of purchase orders created. The number of purchase orders created increased by .02%, with 13,808 being processed, at a value of \$25,287,803. There were 269 Tenders and RFPs issued for the year. The combined dollar value increased by 61% to \$35,057,744. The Section remains active in assisting and advising departments with their tendering requirements, while maintaining the *Public Purchasing Act* and Trade Agreements are followed.

The Government Purchasing Credit Card program continues to have significant volume, \$1,662,090. This program continues to decrease the low volume purchases being processed.

The Section has seen a significant decrease in the volume of Local Purchase Orders (LPO) books being issued. The administration and maintenance of the Fleet Management System has been moved to Transportation and Infrastructure Renewal, as of May 2009. The section continues to assist when required. There are 366 vehicles in the system. All tendering of vehicles is carried out by the Section.

Procurement Services continues to provide support for negotiations on the International Trade Agreement:

- Canada-United States Procurement Agreement was signed on Feb. 11, 2010.
- Canada - European Union Trade negotiations is ongoing.

	2010/2011		2009/2010	
	Number	Amount	Number	Amount
Purchase Orders Issued	13,808	\$25,287,803	13,546	\$29,509,242
Tenders Processed	251	\$29,441,223	309	\$19,620,717
RFPs Processed	18	\$5,616,521	17	\$2,181,940
P-Card Transactions	9,025	\$1,662,090	9,126	\$1,687,383

Financial Information System

The majority of the work on the Government's Oracle Financial Information System application was the preparation for the application upgrade scheduled for the next fiscal year. Because of the significant changes in Oracle Release 12, the Test system was upgraded to prepare the project plan and to provide a system to identify the case scenarios to test crucial changes in the subledger accounting, and the Accounts Payables processes vendor management, payment and invoice set up and processing. The ISM interface from Social Services was deemed to be the most vulnerable to the Release 12 upgrades and significant interface testing effort was incorporated into the Project plan.

A number of smaller projects were also completed, including research and demonstration of the Approval Management

Engine (to test the opportunities for more on-line transaction approvals), XML Report publishing training, system research for an interface transfer of banking details for direct deposit payments, development of an interface for monthly utility invoices, and changes to the program loading bank statements and cashed payments. A pilot project was initiated to develop a method to electronically load Maritime Electric invoices directly into the Oracle system eliminating manual data entry of over 300 monthly invoices for the Department of Transportation and Infrastructure Renewal.

Debt, Investment and Pension Management

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.

Master Trust

The Master Trust holds the pension assets of civil service employees, teachers and MLAs. At the end of 2010/2011, Master Trust assets had a market value of \$1.4 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).

Debentures

Two new debentures were issued in 2010-2011: a ten-year debenture for \$100 million at 3.70% was issued in August 2010 and a 30-year debenture for \$100 million at 4.60% was issued in March 2011. Two debentures matured in 2010-11: \$60 million in August 2010 that had a 11.50% interest rate and \$50 million in March 2011 with a 11.00% rate.

Bond Rating

The Division is the focal point for all consultations with bond rating firms. During the 2010-2011 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 2010
DBRS	R-1 (low)	A (low)	November 2010
S&P	–	A/Stable	January 2010

Self Insurance and Risk Management Fund

The Self Insurance and Risk Management Fund net loss reflects a new accounting requirement to book for losses which occurs in a given policy year but may not be reported until the next year (IBNRs). This

negative impact to the bottom line will “smooth” over time.

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

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.

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.
- Maintaining the Provincial Civic Address Program and Property Line Program, and providing property related geomatics products and services to other Government departments and agencies, and the private sector.

- Reconciling and remitting property tax payments to municipalities.

Audit, Collection and Inspection Services

This section is responsible for:

- Tax compliance activity, including the performing consumption tax audits, International Fuel Tax (IFTA) and International Registration Plan (IRP) audits and new vendor visits.
- Collecting provincial consumption taxes in the most effective and efficient manner, with a minimum amount of hardship to the taxpayer.

Tax Administration and Client Services

This section is responsible for:

- Providing for the administration and interpretation of provisions within the consumption tax legislation and related regulations.
- Facilitating the dissemination of tax information via hard copy brochures and

websites for use by internal and external stakeholders.

- Processing consumption tax returns, revenue and property tax payments and bank deposits
- Preparing annual and amended property tax bills
- Administering tax credit programs such as seniors tax deferral, grant-in-lieu of property taxes, and marked fuel.
- Operating the provincial land registry system, the interpretation of all land-related documents and the provision of property mapping for Prince Edward Island.
- Administering assessment programs including reappraisal, new construction and referral.
- Supporting tax credit programs such as provincial tax credit, bonafide farm and farm use.
- Defending real property assessment appeals filed with the Island Regulatory Appeals Commission.

Property Assessment Services

This section is responsible for:

- Assessing all real property in the Province on an annual basis at the market value assessment.
- Maintaining a taxable value assessment for owner occupied residential property.
- Producing annual provincial, municipal and fire district assessment rolls which form the basis for levying property taxes, dues and fees.

Report Highlights

Operational Plan

Taxation and Property Records documented outcomes based on 2009/10 operational planning goals and formalized an operational plan for 2010/11 to guide strategic and operational directions for the fiscal year.

Tobacco Tax Act

Following the introduction of the *Tobacco Tax Act* in the Fall of 2007, the Division 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, 2011:

- 20 charges were laid under the new Act resulting in fines totalling \$1,250,000 for possession of contraband tobacco products;

- 76 warning letters were issued to tobacco retailers for failure to comply with the provisions of the *Tobacco Sales and Access Act*; and
- Six tobacco retailers had their tobacco retailers license suspended for violations under the *Tobacco Sales and Access Act*.

Coming out of the Assessment Freeze

In 2009/2010, Government considered several options for coming out of the three year property assessment freeze.

In 2010/2011, a taxable value assessment was introduced for each owner occupied residential property. On an on-going basis, this value will be used for purposes of calculating property tax. The taxable value assessment increases each

year based on the consumer price index (all Items - PEI) for the prior year to a maximum of 5%. Introduction of the taxable value assessment protects homeowners from year-over-year spikes in property tax.

The Taxation and Property Records Division facilitated the legislative amendments and systems changes required for successful transition out of the three year property assessment freeze.

New Property Tax Bill Format

In the Spring of 2010, the Division developed a new property tax bill format. The aim of the redevelopment was to make the tax bill easier for the public to understand. Public outreach sessions were held across the Province to provide taxpayers with an opportunity to meet with staff and discuss the new tax bill format. The sessions were well received by those taxpayers who attended.

Performance Management

During 2010/2011, the Division successfully implemented a new performance management system. This initiative grew out of discussions with staff who indicated that they wanted to receive feedback on their performance on a regular basis.

Other Accomplishments

- Implemented a new International Fuel Tax Agreement accounting and processing system.
- Started the conversion of microfilmed Registry documents to digital images to support on-line availability.
- Implemented a new process for the annual mail-out to registered vendors. This initiative represented a substantial saving of time, material and postage.
- Continued the development of on-line payment options. Small and large businesses can file and pay revenue tax on-line. Also, internet banking provides individuals with the ability to pay property tax, revenue tax and make GeoLinc deposits on-line.

**Comparison of Division Activity
Over the Three-year Period – 2008-2011**

	2008/2009	2009/2010	2010/2011
Tax payments received in offices	308,118	304,788	312,803
Documents registered and interpreted (Registry of Deeds office)	18,602	17,221	16,738
New parcels (property) created (Note 1)	1,059	891	844
Subdivision plans filed	806	849	655
Registered revenue tax vendors	13,136	13,594	14,052
Registered tax exempt permit applications (farmers and fishermen)	2,805	2,766	2,634
Properties assessed (as of municipal rolls date) (Note 1)	101,189	102,166	102,925
Property assessment referrals (first-level appeal) (Note 1)	366	456	398
Appeals to IRAC (property assessment related)	22	17	8
Provincial market value assessment (as of municipal rolls date) (Note 1)	\$10.1 billion	\$10.4 billion	\$10.8 billion
Market value of exempt properties (as of municipal rolls date) (Note 1)	\$945 million	\$1.0 billion	\$1.0 billion
New construction reviews and new accounts (property assessed value)	\$160 million	\$187 million	\$162 million
Number of regular audits completed	36	77	85
Regular audit assessments	\$0.6 million	\$1.5 million	\$2.0 million
Number of special assessments issued	216	339	271
Special assessments	\$114,000	\$189,000	\$112,000
Tax Revenue	\$370 million	\$391 million	\$401 million
Registry Office Revenue	\$2.4 million	\$2.4 million	\$2.3 million
Beverage Container Deposit Revenue	\$5.8 million	\$6.5 million	\$6.6 million

Note 1 - 2008/2009 figures have been restated to conform with the presentation adopted for 2009/2010 and 2010/2011.

Appendix A

Department of Finance and Municipal Affairs

Expenses by Division

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Administration		
<i>Administration</i>		
Administration	33,300	24,800
Equipment	1,436	1,000
Materials, Supplies & Services	3,834	4,000
Salaries	587,976	557,100
Travel & Training	72,855	62,100
Total Administration	699,401	649,000
Communications PEI		
<i>Administration</i>		
Administration	10,119	4,800
Equipment	328	1,000
Materials, Supplies & Services	3,165	14,100
Salaries	291,211	267,200
Travel & Training	10,024	11,000
	314,847	298,100
<i>Document Publishing Centre</i>		
Administration	612,885	580,700
Equipment	93	-
Materials, Supplies & Services	564,443	665,500
Professional & Contract Services	284,820	297,900
Salaries	558,432	586,300
Travel & Training	2,931	1,200
	2,023,604	2,131,600
<i>Multimedia Services</i>		
Administration	9,233	10,700
Equipment	17,642	14,700
Materials, Supplies & Services	76,496	78,700
Professional & Contract Services	7,390	1,000
Salaries	465,116	540,600
Travel & Training	8,905	12,300
	584,782	658,000
<i>Strategic Marketing and Design</i>		
Administration	11,094	16,700
Equipment	4,341	10,000
Materials, Supplies & Services	32,660	36,500
Salaries	557,556	568,000
Travel and Training	2,577	1,500
	608,228	632,700
Total Communications PEI	3,531,461	3,720,400

	Actual 2010/2011 \$	Estimate 2010/2011 \$
ECONOMICS, STATISTICS AND FEDERAL FISCAL RELATIONS		
<i>Economics, Statistics and Federal Fiscal Relations</i>		
Administration	5,340	5,800
Equipment	4,910	2,700
Materials, Supplies & Services	3,201	2,800
Professional & Contract Services	14,556	15,800
Salaries	420,993	383,100
Travel & Training	17,139	33,200
Total Economics, Statistics and Federal Fiscal Relations	466,139	443,400
FISCAL MANAGEMENT		
<i>Treasury Board Operations</i>		
Administration	29,828	22,600
Equipment	2,835	5,700
Materials, Supplies & Services	915	62,600
Professional and Contract Services	13,935	20,000
Salaries	412,265	665,900
Travel & Training	9,879	10,000
	<u>469,657</u>	<u>786,800</u>
<i>Pension & Benefits</i>		
Administration	12,635	16,600
Equipment	8,113	12,200
Materials, Supplies & Services	1,660	5,800
Salaries	829,209	794,400
Travel & Training	7,356	12,400
	<u>858,973</u>	<u>841,400</u>
Total Fiscal Management	1,328,630	1,628,200
Information Technology Shared Services (ITSS)		
- Corporate Operations, Finance and Planning		
<i>Administration</i>		
Administration	27,935	37,300
Equipment	-	3,000
Materials, Supplies & Services	516	9,800
Professional & Contract Services	3,285	60,000
Salaries	209,079	307,800
Travel & Training	18,200	29,000
Total ITSS- Corporate Operations, Finance and Planning	259,015	446,900
Information Technology Shared Services - COO Administration		
<i>Administration</i>		
Administration	3,107	-
Materials, Supplies & Services	151	-
Professional & Contract Services	539,173	300,000
Salaries	165,879	238,900
Travel & Training	19	-
Total ITSS - COO Administration	708,329	538,900

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Information Technology Shared Services - Client Services		
<i>Administration</i>		
Administration	5,090	5,800
Equipment	127	3,200
Salaries	175,643	268,500
Travel & Training	8,674	1,000
Total ITSS- Client Services	189,534	278,500
Information Technology Shared Services- Enterprise Architectural Services		
<i>Administration</i>		
Administration	5,430	5,000
Equipment	855	500
Materials, Supplies & Services	360	-
Professional & Contract Services	12,887	30,000
Salaries	185,461	227,700
Travel & Training	19,105	14,500
Total ITSS - Enterprise Architectural Services	224,098	277,700
Information Technology Shared Services - Business Application Services		
<i>Administration</i>		
Administration	66,345	73,500
Equipment	1,602	2,900
Materials, Supplies & Services	2,652	5,700
Professional & Contract Services	2,550	45,000
Salaries	154,190	138,000
Travel & Training	148,103	106,100
	375,442	371,200
<i>Business Application Services</i>		
Administration	14,013	13,600
Equipment	39,660	143,100
Materials, Supplies & Services	3,052,756	2,815,000
Professional & Contract Services	3,948,146	4,506,500
Salaries	3,865,137	4,010,500
Travel & Training	6,311	10,500
	10,926,023	11,499,200
<i>Project Management Office</i>		
Salaries	847,834	1,277,200
Total IT Shared Services-Business Application Services	12,149,299	13,147,600

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Information Technology Shared Services - Business Infrastructure		
<i>Administration</i>		
Administration	83,117	81,200
Equipment	77	1,700
Materials, Supplies & Services	1,436	4,500
Professional and Contract Services	132,863	43,700
Salaries	234,728	339,200
Travel & Training	53,977	83,500
	<u>506,198</u>	<u>553,800</u>
<i>Infrastructure</i>		
Administration	303,264	262,600
Equipment	1,436,452	941,600
Materials, Supplies and Services	1,876,095	3,087,200
Professional and Contract Services	631,764	505,000
Salaries	3,884,317	4,681,600
Travel and Training	131,408	156,400
	<u>8,263,300</u>	<u>9,634,400</u>
Total ITSS - Business Infrastructure	<u>8,769,498</u>	<u>10,188,200</u>
Technology Asset Management		
Leased Computers - Equipment	1,598,166	1,600,000
Total Technology Asset Management	<u>1,598,166</u>	<u>1,600,000</u>
Total Information Technology Shared Services	<u>23,897,939</u>	<u>26,477,800</u>
Municipal Affairs and Provincial Planning		
<i>Administration</i>		
Administration	13,042	8,000
Equipment	2,883	-
Materials, Supplies & Services	5,904	3,000
Professional & Contract Services	6,838	15,000
Salaries	257,071	326,000
Travel & Training	5,649	3,000
	<u>291,387</u>	<u>355,000</u>
<i>Provincial Planning</i>		
Salaries	228,795	263,500
Travel & Training	2,768	4,000
	<u>231,563</u>	<u>267,500</u>
<i>Municipal Affairs</i>		
Equipment	328	-
Salaries	219,863	198,300
Travel & Training	5,237	8,200
GRANTS:		
Federation of P.E.I. Municipalities	100,000	89,300
Municipal Equalization Grants	23,029,194	23,025,700
Municipal Training Support	3,086	2,400
	<u>23,357,708</u>	<u>23,323,900</u>
Total Municipal Affairs and Provincial Planning	<u>23,880,658</u>	<u>23,946,400</u>

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Office of the Comptroller		
<i>Accounting</i>		
Administration	32,753	28,100
Equipment	1,040	2,800
Materials, Supplies & Services	1,385	5,600
Professional and Contract Services	6,840	4,700
Salaries	1,095,356	1,123,100
Travel & Training	9,550	13,600
	<u>1,146,924</u>	<u>1,177,900</u>
<i>Procurement</i>		
Administration	6,132	8,900
Equipment	316	2,900
Materials, Supplies & Services	831	2,200
Professional & Contract Services	-	1,700
Salaries	208,735	244,000
Travel & Training	1,060	3,100
	<u>217,074</u>	<u>262,800</u>
Debt, Investment and Pension Management		
Administration	21,403	18,800
Equipment	274	4,000
Materials, Supplies & Services	1,990	5,300
Professional & Contract Services	106,900	245,600
Salaries	385,398	369,700
Travel & Training	8,578	18,600
	<u>524,543</u>	<u>662,000</u>
Risk Management and Insurance		
Administration	6,553	5,100
Equipment	-	800
Materials, Supplies & Services	740	1,300
Professional & Contract Services	47,124	48,000
Salaries	163,739	255,600
Travel & Training	2,932	5,600
	<u>221,088</u>	<u>316,400</u>
Corporate Administration		
Administration	19,329	22,800
Equipment	1,673	1,900
Materials, Supplies & Services	-	1,900
Salaries	328,268	356,000
Travel & Training	103	2,200
	<u>349,373</u>	<u>384,800</u>
Total Office of the Comptroller	<u>2,459,002</u>	<u>2,803,900</u>

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Taxation and Property Records		
<i>Administration</i>		
Administration	21,133	36,700
Debt	863,900	863,900
Materials, Supplies & Services	40,820	45,900
Salaries	223,845	281,500
Travel & Training	6,812	10,500
	<u>1,156,510</u>	<u>1,238,500</u>
<i>Tax Audit, Collection and Inspection Services</i>		
Professional and Contract Services	17,434	25,000
Salaries	1,308,238	1,349,800
Travel & Training	20,521	43,300
	<u>1,346,193</u>	<u>1,418,100</u>
<i>Tax Administration and Client Services</i>		
Administration	90,417	93,000
Equipment	3,437	4,500
Materials, Supplies & Services	32,222	70,500
Professional & Contract Services	119,660	166,500
Salaries	1,672,782	1,816,200
Travel & Training	8,065	11,000
	<u>1,926,583</u>	<u>2,161,700</u>
<i>Property Assessment Geomatic Services</i>		
Materials, Supplies & Services	5,094	4,400
Salaries	1,188,456	1,292,700
Travel & Training	30,887	48,000
	<u>1,224,437</u>	<u>1,345,100</u>
Total Taxation and Property Records	<u>5,653,723</u>	<u>6,163,400</u>
TOTAL FINANCE AND MUNICIPAL AFFAIRS	<u>61,916,953</u>	<u>65,832,500</u>

Appendix B

Department of Finance and Municipal Affairs

Revenue

	Actual 2010/2011 \$	Estimate 2010/2011 \$
Federal		
Equalization	329,827,000	329,827,000
Canada Health Transfer	109,670,000	109,866,000
Canada Social Transfer	46,726,000	46,638,000
Base Funding for Infrastructure	42,000,000	42,000,000
Wait Time Funding	1,043,000	1,043,000
Miscellaneous Trust Funds	7,870,883	7,870,900
Statutory Subsidy	678,965	679,000
Total Federal Revenue	537,815,848	537,923,900
Provincial		
Lottery Commission	9,323,113	10,883,000
Health Tax on Liquor	16,246,310	16,300,000
Health Tax on Tobacco	35,266,083	33,200,000
Real Property Tax	95,017,261	93,000,000
Revenue Tax	205,683,462	208,600,000
Gasoline Tax	41,840,870	41,700,000
Corporation Capital Tax	4,931,746	2,300,000
Environmental Tax	721,556	700,000
Real Property Transfer Tax	3,437,028	3,000,000
Personal Income Tax	259,062,770	266,685,500
Corporate Income Tax	36,089,862	38,596,000
Registry of Deeds Fees	2,300,685	2,400,000
Self Insurance Rebate	228,729	319,700
Beverage Container	6,638,364	6,500,000
Other	1,595,592	1,653,400
Total Provincial Revenue	718,383,431	725,837,600
Total Departmental Revenue	1,256,199,279	1,263,761,500
Investment Income	8,383,459	9,179,500
Sinking Fund Earnings	16,473,875	12,475,900
Employee Benefits	76,530	170,300

Appendix C

Department of Finance and Municipal Affairs

Other Expenditure Budgetary Responsibilities

	Actual 2010/2011 \$	Estimate 2010/2011 \$
General Government		
Miscellaneous General	305,742	320,000
Grants	1,752,226	1,754,000
Government Insurance Program	1,379,507	1,420,000
Contingency Fund and Salary Negotiations	105,578	5,277,600
Total General Government	3,543,053	8,771,600

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.

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 2010/2011 \$	Estimate 2010/2011 \$
Council of Atlantic Premiers		
Council of Atlantic Ministers of Education and Training	15,230	15,300
Council of Atlantic Premiers Secretariat	84,809	84,900
Maritime Provinces Higher Education Commission	87,203	87,300
Atlantic Provinces Community College Consortium	4,630	4,700
Total Council of Atlantic Premiers	191,872	192,200

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 2010/2011 \$	Estimate 2010/2011 \$
Interest Charges on Debt		
Debt	104,073,205	108,494,200
Total Interest	<u>104,073,205</u>	<u>108,494,200</u>
Amortization of Debenture Discount		
Debt	1,700,832	1,465,500
Total Amortization of Debenture Discount	<u>1,700,832</u>	<u>1,465,500</u>
Total Interest Charges on Debt	<u>105,774,037</u>	<u>109,959,700</u>

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 2010/2011 \$	Restated Estimate 2010/2011 \$
Employee Benefits		
Medical/Life Benefits	266,336	298,400
Employees' Future Benefits	3,513,437	4,909,000
Government Pension Contribution	32,139,592	33,728,800
Pension Management	330,396	560,200
Total Employee Benefits	<u>36,249,761</u>	<u>39,496,400</u>



Design and Printing: Communications PEI
2015