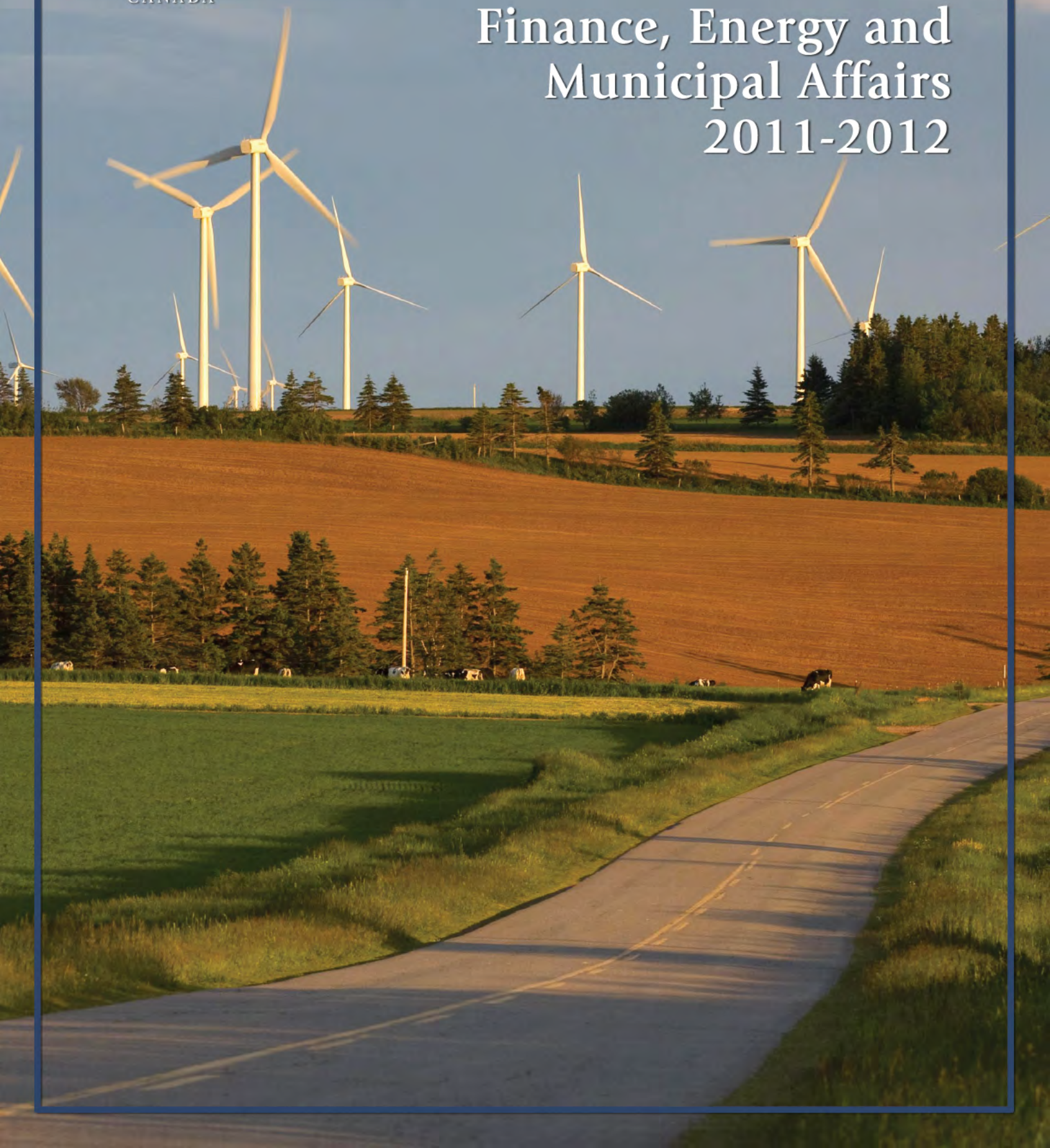




# Annual Report

Finance, Energy and  
Municipal Affairs  
2011-2012



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

**Annual Report**  
**2011-2012**

**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

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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, Energy and Municipal Affairs for the fiscal year ended March 31, 2012.

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

Respectfully submitted,



Wesley J. Sheridan  
*Minister*





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# **Operating Principles Adopted by the Staff of the Department of Finance, Energy and Municipal Affairs**

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## ***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, Energy 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;
- pursuing and promoting the development of energy systems;
- 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, Energy and Municipal Affairs

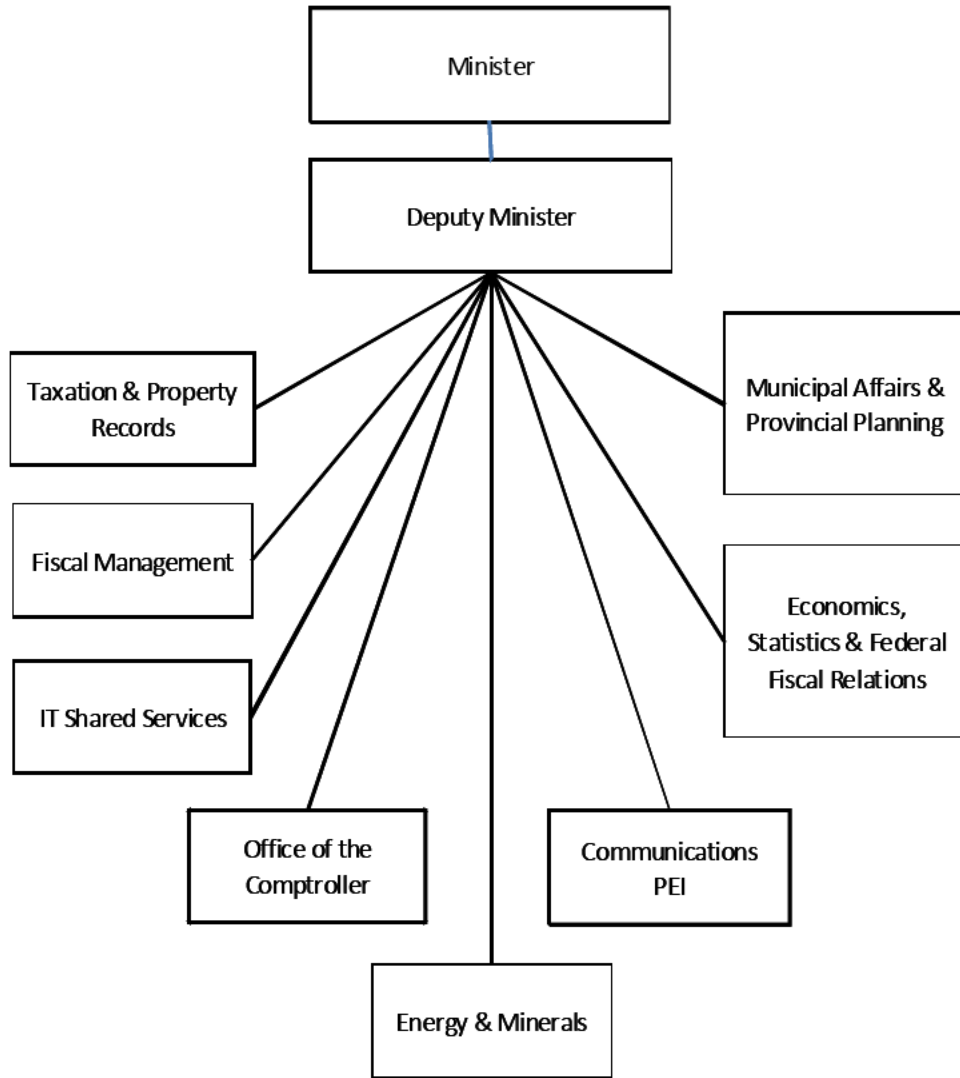
As of March 31, 2012

Act	Division Responsible
<i>Appropriation Acts (Operating &amp; 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>Community Development Equity Tax Credit Act</i>	Economics, Statistics & Federal Fiscal Relations
<i>Condominium Act</i>	Taxation and Property Records
<i>Deposit Receipt Act</i>	Office of the Comptroller
<i>Energy Corporation Act</i>	PEI Energy Corporation
<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>Institute of Man and Resources Act</i>	Energy and Minerals
<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>Mineral Resources Act</i>	Energy and Minerals
<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>Oil and Natural Gas Act</i>	Energy and Minerals
<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>Renewable Energy Act</i>	Energy and Minerals
<i>Revenue Administration Act</i>	Taxation and Property Records
<i>Revenue Tax Act</i>	Taxation and Property Records
<i>Statistics Act</i>	Economics, Statistics and Federal Fiscal Relations
<i>Supplementary Appropriation Act(s)</i>	Fiscal Management
<i>Tobacco Tax Act</i>	Taxation and Property Records

# Organizational Chart

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As of March 31, 2012



# Departmental Overview

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## Role/Mission

*The Department of Finance, Energy 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 role of Communications PEI is to provide communications advice and assistance to the Premier, Ministers and department staff to help 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.

### **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.

### **Energy and Minerals**

In the Fall of 2011, a reorganization resulted in Energy and Minerals falling under the portfolio. The Energy and Minerals Division is responsible for the development, implementation and administration of energy policies and programs, and the administration of mineral resources development. The Division also supports gas exploration initiatives undertaken on Prince Edward Island. This includes the Office of Energy Efficiency.

### **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.

### **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**

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 transparent to the Legislature and the public.

### **Taxation and Property Records**

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

### **Additional Ministry Responsibilities**

The Department of Finance, Energy 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

# Tour d'horizon du ministère

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## Rôle/Mission

*Le ministère des Finances, de l'Énergie 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.

Le rôle de Communications Î.-P.-É. a est de fournir des conseils et de l'aide en matière de communications au premier ministre, aux ministres et au personnel ministériel pour assurer que les Insulaires soient bien informés et participent aux programmes, aux priorités et au progrès du gouvernement par l'entremise de toute une gamme de services, y compris les communications ministérielles ainsi que les services créatifs et l'impression.

### 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.

### L'énergie et des minéraux

À l'automne 2011, lors d'une réorganisation, la Division de l'énergie et des minéraux est passée au ministère des Finances, de l'Énergie et des Affaires municipales. La Division de l'énergie et des minéraux veille au développement, à la mise en oeuvre et à l'administration des politiques et des programmes énergétiques et à

l'administration de la mise en valeur des ressources minérales. Elle appuie également les mesures d'exploration gazière entreprises dans la province. Elle est également responsable du Bureau de l'efficacité énergétique.

### 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 et prépare les prévisions budgétaires en matière de revenus et de dépenses.

### 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.

## **Affaires municipales et planification provinciale**

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.

## **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, de l'Énergie 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

# Finance, Energy and Municipal Affairs

## Financial Summary

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>Expenditure by Division*</b>		
Administration	579,919	576,600
Communications PEI	3,744,885	3,745,300
Economics, Statistics and Federal Fiscal Relations	435,245	457,500
Energy and Minerals	2,130,412	1,920,100
Fiscal Management	1,505,946	1,805,900
Information Technology Shared Services	23,720,635	25,646,800
Municipal Affairs and Provincial Planning	24,113,226	24,155,800
Office of the Comptroller	2,636,780	2,796,900
Taxation and Property Records	5,683,372	6,159,700
<b>Total Department Expenditure</b>	<b>64,550,420</b>	<b>67,264,600</b>
<b>Other Budgetary Responsibilities**</b>		
General Government	4,527,687	4,087,500
Council of Atlantic Premiers	185,512	188,400
Interest Charges on Debt	104,597,710	108,106,300
Employee Benefits	57,799,630	38,942,800
<b>Revenue*</b>		
Federal Sources	537,136,384	535,052,000
Provincial Sources	766,171,832	751,116,500
Investment Income	8,517,933	9,879,500
Sinking Fund Earnings	12,232,794	15,949,000
Employee Benefits	32,990	-

\* 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 department staff to help 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

This section provides high quality professional document publishing and centralized mail distribution service to all Provincial Government departments and agencies.

#### Office of the Queen's Printer

- Publisher of the *Royal Gazette*, statutes and regulations of the Province, the Journal of the Legislative Assembly, departmental annual reports, books, certificates, forms and other documents as required by law and Crown copyright; and
- Manages the Government's paper tender and the interoffice courier mail contract.

### PEI Mail

This section is responsible for the central processing of Provincial Government mail and includes:

- Provides sorting and distribution for interoffice courier mail service delivery across the province;
- Sorts, picks up and delivers regular and interoffice mail and parcels throughout the Provincial Administration Building (PAB) complex;
- Automated envelope insertion of property tax bills, notices, cheques, payroll advices and renewal letters; and
- Processes outgoing mail using Canada Post software, and combined with a postal management system provides monthly statements to departments for cost-tracking and mail volume.

### The Document Publishing Centre

This section combines a high capacity digital print system with traditional offset to offer a full range of publishing solutions throughout government. The Centre produces a wide variety of government publications including the Throne Speech, Provincial Budget, annual reports and provincial legislation. This section also provides client consultations to develop unique print and finishing solutions, as well as integrating print materials with postal services for mail insertion and distribution.

### **Digital Print Section:**

This section provides digital document publishing as well providing strategic workflow business solutions to clients:

- high volume black and white or colour printing
- cost effective in-line finishing options
- client-to-server document file submission
- customized variable data/mail merge services include providing soft proofs and print service
- file imposition to reduce printing costs
- high speed digital scan-to-print or scan-to-pdf file preparation
- digital document file storage

### **Press Print Section**

This section produces quality offset press printing which includes:

- Pantone color match inks, process full colour and MICR ink printing on a wide range of papers, envelopes and card stocks
- produce varied products to corporate standard
- specialty print raised inks for letterhead and business cards
- form printing on carbonless paper (NCR)

### **Bindery and Finishing Section**

This section provides a variety of document finishing options:

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

### **Multimedia Services**

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

- **Video and Radio Production** provides expertise in camera operation, online 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.

### **Graphic Design, Web Development 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

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## ***Report Highlights***

### **Corporate Communications**

2011/2012 was a transformational year for government communications – a period when systems were implemented to give Government more control over its communications agenda and allow staff to work as one, integrated communications team.

Significant gains were made in:

- strengthening and coordinating departmental communications
- providing corporate communications support
- building strong social media audiences
- improving the quality of all government communications products

- monitoring issues and responding in a more timely manner
- increasing the knowledge and skills of the Communications staff

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

*Production Statistics for the fiscal year*  
2011/2012:

Print and bindery work requisitions	4,217
Mail items processed	1,272,431

## Multimedia Services

### Video and Audio Production

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

#### Videos

PEI - Canada Video 2011 Royal Visit; installation of New Lieutenant Governor for Eastlink TV; Pink Glove Breeders Crown Video for Agriculture; Health PEI AGM; Premiers State of the Province Video; and Trade Mission to India Video

#### Commercials

(2) 15 second Tourism Commercials for Canada AM; School Bus Safety; Flu Shot Commercial; and the Premiers Christmas Commercial for CBC, Eastlink and YouTube

#### Audio Production

Farm Market Report; Forestry Report; Public Service Announcements; Sport PEI Program; and the Premier's Christmas Message

#### Key Multimedia Services Statistics

Audio and Video Production Requests	173
Press Conferences, Other Conferences and Special Events	251
Photography Shoot Assignments	521
Service Calls for AV/Equipment Repairs	159
Equipment Loan Request	862

### Graphic Design, Web Content Development and Island Information Service

During the year, the section executed over 3,223 separate design projects for the Premier's Office, Government departments, agencies and Crown corporations including significant support for the Royal Visit.

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 was appreciable growth in the use of social media.

On average, there are 13,000 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.

Island Information Service distributed 630 news releases and 115 media advisories for Provincial Government departments and agencies. IIS receives numerous requests for copies of publications and legislation during the year, and respond to many inquiries for Provincial Government and general information.

# Economics, Statistics and Federal Fiscal Relations

## Role/Mission

*The Economics, Statistics and Federal Fiscal Relations Division strives to provide research, analytical expertise and advice at the highest professional standards to the department and Government generally on a wide range of tax, statistical, economic policy and federal/ provincial fiscal matters. The major focus of the Division is on federal transfer payments, income tax issues, statistical reports and economics analysis for Government. The Division's role includes responsibility for analyzing, researching and publishing key statistical information/data, and in disseminating statistics across Government. The Division represents the Province in discussions with the Federal Government and provinces and territories on a variety of key federal/provincial fiscal arrangements, supports the Minister and Deputy Minister of Finance, Energy 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 Division is on Federal transfer payments, income tax issues, statistical reports and economics analysis for Government.

The Division's role includes responsibility for analysing, researching and publishing key statistical information/data, and in disseminating statistics across Government. The Division represents the Province in discussions with the Federal Government and provinces and territories on a variety of key federal/provincial fiscal arrangements, supports the Minister and Deputy Minister at high-level meetings on these subjects, and promotes the interests of Prince Edward Island in public and academic circles.

## 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 2013/2014. Support was provided to the 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 section 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 section prepared the 2011 Budget Paper on the economy which consists of national and international review, provincial highlights 2011. The report provided analytical support to the drafting of the Budget speech. The section also produced the Provincial Economic Update in late Fall 2011.

The Province's economic situation 2011/2012 was presented to the following bond rating agencies: Moody's, DBRS, and Standard and Poor's. The section continues to attend the Canada Mortgage and Housing Corporation Industry Roundtable and the Atlantic Provinces Economic Council's Outlook conference.

The section attended the federal/provincial Continuing Committee of Officials (CCO) Sub-Committee Meeting on Economic and Fiscal Issues. It also attended the Transfers Sub-committee meeting in Ottawa. It continues to participate in the Federal-Provincial Labour Market Information Network and liaises with

other Federal government departments on various topics.

### ***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 extensively with Finance Canada as well as the other provinces and territories on a review of the Tax Collection Agreement. The review process is mandated to be undertaken by the parties to the agreement every six years. A report to Ministers was presented with the findings, with further work identified to be completed in 2012. Among many other matters, the review assessed the compliance of the parties with all the terms of the agreement, and also has led to an accelerated schedule for the timing of corporate tax payments, providing a fiscal benefit to the province.

The Division was responsible for preparing amendments to the *Income Tax Act* to introduce a \$500 refundable income tax credit for volunteer firefighters. This new credit takes effect in the 2012 taxation year. These amendments were passed in the Spring session of the Legislature.

In the June 6th Federal Budget, it was proposed to remove the \$10,000 maximum limit on the amount of eligible expenses that caregivers can claim under the Federal Medical Expense Tax Credit in respect of financially dependent relatives. PEI chose to maintain harmony to Federal credit, thereby enhancing the Provincial tax benefit to caregivers.

Working in conjunction with the PEI Securities Office, the Division continued the introduction and rollout of the new Community Economic Development Investment Business program, creating new economic opportunities in rural PEI.

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

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

### ***Statistical Activities***

The Statistics section supported the development of the *Statistics Act*, which was tabled and received Royal Assent in the Spring of 2010.

The Statistics Bureau is striving to establish a strong identity and direction as it carries out its newly legislated mandate, principally to collect, compile, analyse, abstract and publish statistical information relating to a variety of activities and conditions in the province.

Designated as the province's official 'statistics finder,' the Statistics Bureau has primary responsibility for consolidating Government's statistical program.

The past year, staff participated in an internal planning exercise. Guiding this process was the United Nations' Handbook of Statistical Organization, Third Edition: The Operation and Organization of a Statistical Agency (New York, 2003), where staff committed to following the 'best practice' recommendations.

Staff collaborated to develop a policy manual that identified current practice, prioritized actions for carrying out the Bureau's mandate, and defined its vision, mission, goals, values, ethics and principles.

The Statistics Bureau supported the ongoing development of Community Accounts for PEI, an interactive resource that provides comprehensive, community-level statistical data.

Staff developed versatile, broadly-scoped statistical products that highlighted population numbers, demographic and income characteristics of the population, employment status and housing conditions, among others.

Staff continued to develop key information for departments, including further research and development of the demographic model.

The Bureau's statistical activities include:

- 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.

A variety of statistical products were publicly available through the Government's Website, the online Community Accounts, and through regularly published reports such as the Annual Statistical Review.

Government's Website continues to be a valuable dissemination tool for the Statistics Bureau, with content frequently updated as new statistics become available. The Bureau also uses the Website to disseminate its regular publications, such as the PEI Economy Progress Report.

Staff prioritized the establishment of a comprehensive dissemination strategy that includes provisions for release schedules.

As the provincial focal point for Statistics Canada, the Bureau is responsible for communicating and disseminating information from this Federal Government agency to the provincial government and its agencies, as well as the public. Most data-related documents are now published electronically by Statistics Canada, and are archived by the Bureau's staff to form a local electronic library.

Staff responded to many specific requests in 2011/2012, including work for Innovation PEI, Executive Council, the Departments of Agriculture and Forestry, Community Services and Seniors, Health and Wellness, Innovation and Advanced Learning, Finance, Energy and Municipal Affairs, Transportation and Infrastructure Renewal, Education and Early Childhood Development, as well as numerous requests for statistics from the public sector.

The population model continues to be a sought-after tool for population projection, as demonstrated by numerous requests for data and projections for the Province and its counties.

A detailed Input-Output model, made possible by a bilateral agreement between Statistics Canada and the province, enables the Statistics Bureau to provide a more thorough analysis of the provincial economy.

Moving forward, the Statistics Bureau's focus will be on strengthened coordination to fulfill its mandate as an impartial, centrally-located statistical resource for Government, business and the greater public.

### ***Canada Pension Plan***

Responsibilities include advice to the Minister and Deputy on CPP financial and policy issues.

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



# Energy and Minerals

## Role/Mission

*The Energy and Minerals Division is responsible for the development, implementation and administration of energy policies and programs, and the administration of mineral resources development. The unit also supports gas exploration initiatives undertaken on Prince Edward Island. This division includes the Office of Energy Efficiency.*

## Overview

### Energy and Minerals

The Energy and Minerals Division formulates energy policy for the Provincial Government. Included in the Division is the PEI Office of Energy Efficiency which develops and administers a suite of energy conservation and energy efficiency programs for the residential and business sectors.

Promotion and regulation of the Province's hydrocarbon and mineral resources is also the responsibility of the Division, as well as supplying administrative and technical support for the activities of the PEI Energy Corporation.

## Report Highlights

### PEI Energy Commission

In June 2011, the PEI Energy Commission was formed to begin a sixteen month process to provide advice on key issues impacting the Province's present and future supply of electrical energy. The five members of the Commission were able to draw upon several years of experience in accounting, engineering, finance and public administration to go about their tasks.

Through phases of information gathering, broad public consultation and report compilation it is expected that the Commission will provide guidance to government in several key areas that include the future role of utilities, regulatory oversight, the role of the Provincial Government, acquiring more electrical inter-tie capacity (new cable) and the future of renewables in the electrical energy mix. It is expected that the Commission will have a draft report completed

by Fall 2012, with a published report to be released shortly thereafter.

The Energy and Minerals Division continued to provide administrative and advisory support to the PEI Energy Commission.

### Wind Energy Strategy

Pursuant to the Prince Edward Island Energy Strategy, *Securing our Future: Energy, Conservation and Renewables*, the Province is striving to increase the percentage of electricity that is acquired from renewable energy from 15% to 30% by 2013. The PEI Energy Accord has identified the Prince Edward Island Energy Corporation (Corporation) as the agency to develop another 30 MW of wind power to meet this goal.

Planning is now underway for this wind project and the Energy and Minerals Division will assist the Corporation in this development.

### **Office of Energy Efficiency**

Reducing consumption through efficiency and conservation is the most cost effective approach to saving energy dollars and preserving the environment. On January 22, 2008 the Prince Edward Island Office of Energy Efficiency (OEE) officially opened its doors to provide Islanders with a one-stop venue for information about provincial and federal energy efficiency programs, services and other pertinent information.

Since opening the Office of Energy Efficiency, it has assisted over 4,000 Islanders complete residential energy audits and provided \$9 million in loans to help residents make significant improvements in the energy efficiency of their homes. It is estimated that, on average, Islanders who made energy efficiency improvements through the OEE's programs are saving approximately \$1,200 annually in energy costs.

Currently, the Office of Energy Efficiency offers the following programs:

1. PEI Energy Efficiency Grant Program - provides a direct subsidy of up to 15%, up to \$1500 per household;
2. PEI Energy Efficiency (Window and Doors) Grant Program - provides clients with a grant of \$40 per eligible (energy efficient) window or door that is installed. (Amounts received under this program are deducted from the maximum available incentive through the PEI Energy Efficiency Grant Program.)

3. PEI Energy Efficiency Low-Income Loan Program - provides financing to complete energy efficiency improvements to Island homes. Low-income clients may also be eligible for up to 50% loan forgiveness.
4. Home Energy Low-Income Program (HELP) - provides a free weatherization service to all low-income clients. The service includes air sealing the home, installation of a programmable thermostat, a low-flow shower head and some compact fluorescent lamps as well as providing a voucher for a free furnace cleaning.
5. Commercial Program - In August 2009 the Office of Energy Efficiency launched new programs for the commercial/institutional sectors and the multi-unit residential sector. These new programs provide funding to complete energy assessments and financial assistance to make energy efficiency improvements. Energy audit assistance of up to \$3000 is available in addition to incentives of up to \$25,000 to make energy efficiency improvements.

The Office of Energy Efficiency continues to deliver programs to meet the needs of Islanders.

# 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 7,000 contributing members spread across 16 participating employers. There are about 3,100 individuals (retirees, surviving spouses and dependants) in receipt of monthly benefits from the CSSF.

There are four participating employers to the Teachers' Superannuation Fund (TSF) with approximately 1,800 contributing members. There are also about 1,500 individuals in receipt of monthly benefits from the TSF. There are 27 active contributors in the MLA Pension Plan and about 90 individuals in receipt of monthly benefits.

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## ***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) 2012. For the Spring sitting, the section provided the 2011 Budget Address, the Operating Estimates of Revenue and Expenditure and the 2011 *Appropriation Act* (Current Expenditures 2012), 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, Energy and Municipal Affairs were undertaken. As Treasury Board Operations, staff of the division maintained linkages with the Executive Council Office, the Legislative Review Committee and the Strategic Planning Committees on Economic Policy and Community and Social Policy.

During the past fiscal year, divisional staff represented Treasury Board on various committees including the Agricultural Insurance

Corporation, the Land Use Co-ordinating Committee and the Student Loans Appeal Board. Staff members took part in monitoring the Government Loan Guarantee Program and represented Treasury Board on collective 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. It 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, Energy 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)** (ITSS) Branch was formed on April 1, 2006, as the result of a Cabinet decision to consolidate all IT resources across Government within a single work unit. To satisfy the mandate of the branch, ITSS provides a broad range of services to Government departments and agencies. ITSS is divided into 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 Branch has acceptable results and is solely responsible:

- Quality of the advice, assistance, and/or services delivered to our clients
- Procurement of infrastructure equipment
- Professional conduct of ITSS staff

- Client satisfaction with ITSS programs and services
- Condition of the ITSS Branch finances and cost effectiveness of programs and services
- Condition and quality of ITSS assets, facilities, systems and information
- Quality of the work environment for staff to carry out their work
- Quality of the relationship with 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 and Forestry**

- Migration numerous applications to Powerbuilder 12
- Updated Agricultural Insurance Corporation Accounting (AICA)
- Updated Potato Storage Powerbuilder (POTS) application

### **Community Services and Seniors**

- Completed case management for Child Protection Investigation
- Assisted in design, implementation and move-in of network, EUS and server for Colville and Maplewood Manors

### **Public Service Commission**

- Upgraded Great Plains (Pensions and Benefits)
- Completed modifications and enhancements to Payroll and HR PeopleSoft System

### **Education and Early Childhood Development**

- Completed Library Management System (KOHA) School Rollout

- Completed patches/upgrades for Trevlac, BAS2000 and SAS
- Deployed laptops to high schools for Career Exploration and Opportunities
- Identified requirements for new Spring Park School
- Completed Capital Builds - St. Augustine School, Miscouche Consolidate, École-sur-Mer, Evangeline and Morell Consolidated
- Robotics (wireless in one classroom at each High School with 6 laptops each)
- Aboriginal Education Project (wireless in one classroom at each Mount Stewart Consolidated and Hernewood Intermediate School with 11 laptops each)
- Groupwise rollout to Education
- Created over 20,000 student accounts in preparation of 2011-12 school year

### **Environment, Labour and Justice**

- Migration and rewrite of Homeheat
- Implemented Victim Information Management System (VMS)
- Implemented Record Management Application
- Developed Youth Information Management System

- Implemented system upgrade to MEPS and FACTS
- Provided RCMP Harmonized Threat Risk Assessment (TRA)
- Developed information management system (CARMA) for Crown Attorney's Office

### **Finance, Energy and Municipal Affairs**

- Upgraded Oracle Financial Information System (FIS)
- Implemented new Residential Client Database for Office of Energy Efficiency  
*For Taxation and Property Records*
- Upgraded GOVERN
- Migrated Tax Exempt and Permit System
- Upgraded MapGuide server and Property Tax Payment Interface System

### **Fisheries, Aquaculture and Rural Development**

- Implemented Electronic Fisheries Reporting System

### **Health and Wellness**

- Partnering with Service Canada for Vital Statistics data exchange
- Upgraded Fieldworker for Environmental Health, and Environment Health Information System (EHIS)

### **Health PEI**

- Completed Provincial Safety Management System
- Implemented Physician Contract updates and retro into integrated Claims Systems and iCore
- Completed Drug Formulary Editor
- Drug Utilization Review (DUR)
- Completed integration of patient data between various systems and Client Registry
- Completed installation of monitors at QEH for reporting ER Wait Times
- Upgraded Powerbuilder for ISM

- Implemented Internet Broadcast of HPEI Annual General Meeting
- Upgraded Cancer Treatment Centre Aria Information/Eclipse Treatment Planning system
- Upgraded Picture Archiving and Communication System (PACS)
- Replaced Digitizers for Diagnostic Imaging (DI)
- Implemented Talk Speech recognition software for DI/ICS/DIS
- Upgraded Health Financial System (HFS), Fieldworker System, and Environment Health Information System (EHIS)
- Implemented new Model of Care for Home Care for ISM
- Completed modifications and enhancements to Client Hosted Registry Information System (CHRIS)
- Updated web application for Health Care Future
- Upgrade of the Integrated Client System and Drug Information System (ICS/DIS)
- Implemented Talk Speech Recognition software for DI
- Performed Security Audit Review for Clinical Information System (CIS)
- Reviewed and validated Health PEI Architectural Plan
- Provided on-site support at QEH for CIS- CPOE go-live
- Created over 500 new CIS user accounts
- QEH Unit 3 renovations
- HPEI Satellite Office in Murray River
- Digital Glucometer implementation
- Completion of QEH Network Backbone Re-Design

### **Innovation and Advanced Learning**

- Implemented various system upgrades to One Client Service Model (OCSM) and Apprenticeship Tracking System (ATS)



### **Tourism and Culture**

- Implemented new point of sale system at Brookvale Ski Park
- Developed modifications to ShareTourismPEI.ca site
- Completed Hunter River Library relocation
- Upgraded Library Management System
- Supported implementation of new touch screens at Charlottetown Airport
- Assisted on procurement of redevelopment of Box Office PEI application

### **Transportation and Infrastructure Renewal**

- Worked on new Driver Vehicle System

### **Corporate**

#### **(For the benefit of all Departments and Agencies)**

- Proposed strategy for implementation of Microsoft Office as Government standard
- Implemented Collaborative Communities within InSite Portal for various departments
- Implemented Survey applications for various departments
- Added Forensic Investigation Services
- Added Security Education Program

- Updated core infrastructure components to increase up-time for clients' systems-redesign of Domain Name Service (DNS); redesign of PAB datacentre; design of new high speed core network for Core Government; implementation of wireless access pilot
- Reorganized staff to shorten incident resolution times < 30 days in duration
- ITCM deployment (standard method to deploy software)
- Maintained operational support for 700 servers, 350 sites, 800 blackberries, 1800 printers and approximately 12,500 desktop devices
- PAB data center (replacement of air conditioners and installation of new generator)

# 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

The Municipal Affairs and Provincial Planning Division is responsible for maintaining the legislative frameworks for the *Municipalities Act*, the *Charlottetown Area Municipalities Act*, the *City of Summerside Act*, the *Lands Protection Act* and the *Planning Act*. The Division serves as the principal liaison between the province, municipalities, municipal interest groups and the public on matters pertaining to municipal governance. The Division is also responsible for implementing key recommendations of the *Report of the Commission on Land and Local Governance*, the *Report of the Commission on the Lands Protection Act* and the *Report of the Task Force on Land Use Policy*.

### Municipal Affairs

Working in partnership with communities, the Municipal Affairs Branch assists municipalities in developing their capacity to achieve a safe and sustainable community. The Municipal Affairs Branch has responsibility for maintaining the legislative framework for the *Municipalities Act*, the *Charlottetown Area Municipalities Act*, and the *City of Summerside Act*.

The Municipal Affairs Branch is staffed by three permanent positions: a Manager of Municipal Affairs, a Senior Municipal Affairs Officer and a Municipal Affairs Officer.

The Municipal Affairs Branch oversees and provides assistance to municipalities pertaining to municipal formation, elections, amalgamation, finance, boundary changes and the adoption of official plans as well as land use and subdivision bylaws. It serves as the primary liaison between the Province, municipalities, municipal interest groups and the public.

The Municipal Affairs Branch provides advisory and consultative services to municipalities and other government departments. It also maintains a municipal directory and databases pertaining to municipal bylaws, municipal financing, and municipal boundaries.

The Municipal Affairs Branch is responsible for administering grants to municipalities under the Municipal Support Grant Program. It also oversees the administration of grants to the Federation of Prince Edward Island Municipalities and the Association of Municipal Administrators.

The Municipal Support Grant Program includes two parts: a Police and Street Services grant

intended to provide support to municipalities that have taken on responsibility for street maintenance and/or policing services and an Equalization Grant intended to assist municipalities who are not able to generate the same amount of revenue through taxation in providing comparable basic services.

In 2011/2012, changes to the Municipal Support Grant program included:

- There was a 1% increase over 2010/11 Police and Street Services Grant funding to the 12 municipalities responsible for streets and/or police services. This amounted to an increase of \$193,129.
- Beginning in the 2008/09 fiscal year, those municipalities not qualifying under the formula to receive an Equalization Grant, had begun transitioning out over a 3 year period. These 23 municipalities did not receive any equalization in 2011/12 fiscal year, as 2010/11 fiscal year was the last period of transition, until they once again qualify. This amounted to \$667 decrease.
- The net increase in funding to municipalities for 2011/12 amounted to approximately \$192,462 with total funding of \$23,221,657.

### **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. 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

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- The Municipal Affairs Branch has made drafting new municipal legislation a key priority area of work over the past year.
- The Municipal Affairs Branch has formed a steering committee and working sub-committee to inform and support the legislative amendment process pertaining to municipal governance in the province.
- The Municipal Affairs Branch reviewed 16 municipal official plan and land-use bylaw amendment submissions from municipalities. Several bylaws that did not pertain to bylaws were also filed. However, those bylaws did not require review and ministerial approval.
- The Municipal Affairs Branch continues to focus on developing and delivering local governance education to municipalities throughout the province.
- Development of a comprehensive plan and process to support implementation of the *New Foundations - Report of the Commission on Land and Local Governance* is a key area of focus for the Division. 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.
- A Land Use Policy Task Force has been established. The purpose of the task force is carry out research and public consultation to develop detailed recommendations for land use policies and their implementation in comprehensive land use policy framework.
- The Provincial Planning Branch considered a total of 40 Land Identification applications involving 340.4 acres: 2 applications involving 4.01 acres were denied; 1 application was denied in part; and the rest were approved with varying special conditions.
- From 2004 to 2012, there have been a total of 51,330 acres identified for non-development use. 3,835 acres have had alterations approved and a total of 31 applications for alterations have been denied by Executive Council.
- The Provincial Planning Branch continues to increase mapping capacity within the Municipal Affairs and Provincial Planning Division.
- The Provincial Planning Branch continues to provide support to implementation of the recommendations made in the Commission's report.

# 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 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 the 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.

### **Risk Management and Insurance**

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

### **Debt, Investment and Pension Management**

#### **Banking**

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

### **Sinking Fund**

Attached to 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 Debt, Investment and Pension Management Section staff. Although the Section does not directly invest the pension monies as it does for the Sinking Fund, it does act as the manager of external managers. This work includes setting up and monitoring guidelines for investing monies and daily monitoring of assets and cash flows of the managers and the trust itself.

### **Loans**

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

### **Loan Guarantees**

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

## Report Highlights

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### Accounting

After months of planning and testing Government's Financial Information System (FIS) underwent a major software upgrade in August 2011, migrating from Oracle 11i to Oracle Release 12. This project required a significant investment of time by staff of the Office of the Comptroller. The Accounting Section also worked on a number of other projects during the year including a review of the internal invoicing process which administers the interchange of goods and services within Government. Work began in 2011-2012 on a review of Government's Tangible Capital Assets Policy. The Policy was implemented in 2005 and a number of updates were required due to changes in business processes and issues with some of the guidelines, such as dollar value thresholds and the definition of "betterments". In November 2011, Government announced a series of changes to its organization as with the previous change made part way through the fiscal year the changes became effective April 1 of the subsequent fiscal year (2012-2013). Guidance on the implementation of these changes was provided to departments and Government's chart of accounts in FIS were revised for 2012-2013. 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, 2011, was completed and released in August 2011. This release date was three months earlier than the previous year and met the release deadline set out in the *Financial Administration Act* for the year of a fixed-date general election. Significant changes in financial statement presentation from previous years included: an increase in information presented in the Financial Statement Discussion and Analysis section, the transfer of Property Holdings on the Balance sheet from Financial Assets to Non-Financial Assets, inclusion of a Schedule of Contractual Obligations in Note 7, an increase in information on Government Business Enterprises in Schedule 4, details of Loans Receivable in Schedule 6 and an increase in information on capital leases in Schedule 10

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 33450 - "Financial Instruments" was added in June 2011, these new rules take effect April 1, 2012 for Crown agencies and April 1, 2015 for governments. Discussion took place on proposed changes to the Handbook including; Related Party Transactions, Reporting of Appropriations by public sector entities and PSAB's Conceptual Framework which sets out the underlying concepts for the development and use of accounting principles in government financial statements.



### Accounts Payable and File Maintenance

The focus in this fiscal year was on the Oracle Financials upgrade to Release 12 with much of the year dedicated to testing the accounts payable functionality and then supporting the users when the upgrade was completed. The accounts payable module had the most changes and issues in terms of the other modules in Oracle, with the exception of the Pcard process. Many hours were spent working on these issues with Oracle support

The section continues to promote the use of electronic payments (EFT) to reduce department costs. In the year ending March 31, 2012 there was an increased number of electronic payments from the prior year by 50%. This was largely due to the Canada Post strike and a push by the Department of Community Services and Seniors in encouraging their clients to enroll in this reliable and secure service. EFT promotion will continue to be a priority.

This section is continuing to experience 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

	2011/2012		2010/2011	
	Number	Amount	Number	Amount
System Vendors new	5,905	n/a	7,608	n/a
System Vendors updated	10,370	n/a	8,371	n/a
Vendor Sites new	8,349	n/a	10,737	n/a
Vendor Sites updated	4,863	n/a	4,588	n/a
Invoices Processed	308,547	\$1,500,747,528	299,558	\$1,641,104,959
Batches Processed	17,910	n/a	17,430	n/a
Procurement Card Transactions	8,996	\$1,682,751	9,025	\$1,662,090
Payments Issued – Cheques	82,272	\$108,520,242	102,464	\$143,756,549
Payments Issued - Electronic	99,536	\$924,089,184	66,157	\$878,484,247
Payments Issued – Internal Clearing	243	\$15,093,486	309	\$19,954,864

## **Accounts Receivable**

In 2011/2012 the section continued work on the development of an accounts receivable policy for the Province. A draft document was distributed to financial administrators in November and feedback was received. Subsequent to discussion with Fiscal Management staff on the draft document, the decision was made to create two documents, a shorter policy document to be included in the Treasury Board Policy and Procedures Manual and a more detailed Accounting Directive which would provide guidance to departments in administering the policy.

Staff continued to provide consultation on the development of new interfaces into FIS as well as upgrades and other changes to existing interfaces. One of those projects is improvements to the payment engine for e-Services, the Province's on-line service located on its website. Currently hunting and fishing licenses are the only products available on the site but a new motor vehicle registration system is under development and will soon be added. Improvements to the payment engine will facilitate the addition of new services to the site. Office of the Comptroller staff involvement included; ensuring the adequacy of internal controls over the receipt of funds; and the capability to reconcile transactions between e-Services, FIS and the bank.

## **Procurement Services**

The section processes purchase orders through the Oracle Financial System, on behalf of government departments. There was a slight decrease in the volume and dollar value of purchase orders created. A total of 12,723 purchase orders were created, with a dollar value of \$22,913,575.

There were 216 Tenders and RFPs issued for the year. The combined dollar value increased by 53% to \$53,783,122. 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 Pcard program continues to have significant volume, \$1,682,751. 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.

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

- Canada - European Union Trade negotiations is ongoing.
- Pan-Atlantic Collaborative /Joint Procurement

has been identified by the four Atlantic Premiers. Procurement Services is actively working with our procurement counterparts in the other provinces to identify opportunities for joint procurement.

	2011/2012		2010/2011	
	Number	Amount	Number	Amount
Purchase Orders Issued	12,723	\$22,913,575	13,808	\$25,287,803
Tenders Processed	206	\$51,380,277	251	\$29,441,223
RFPs Processed	10	\$2,402,845	18	\$5,616,521
Purchase Card Transactions	8,996	\$1,682,751	9,025	\$1,662,090

### **Financial Information System**

The Government's Oracle Financial Information System application was upgraded to Release 12.1.3 in August 2011. The system was brought down on Thursday evening and was ready on Monday morning for restricted access to specific interface and central functions, before allowing access to the general user population on Tuesday morning. This strategy worked well, providing the Comptroller's Office and system support staff a controlled environment to bring the system back into production and will be used for all future upgrades.

Two significant areas for resolution resulted from the upgrade. Considerable support activity in the Comptroller's Office, the consulting firm and Oracle was required to resolve the problems and compel Oracle to provide programming fixes to the software upgrade. The two affected processes were adjustments to existing invoices, and the Procurement Card activity procedure.

A number of smaller projects were also completed: creating a second copy of the pre-upgrade production system specifically for the use of the Auditor's Office (to ensure no loss of service to complete the preparation of the Public Accounts); testing and implementing the Maritime Electric invoices interface; researching the use of iProcurement for internal requisitions; and implementing a change to the requisition approval

notification (to provide the account code to the approver).

### **Debt, Investment and Pension Management**

#### **Debentures**

One new debenture was issued in 2011/2012: a 30 year debenture for May 2041 at 4.60% was re-opened for another \$100 million in July of 2011. One debenture matured in 2011/2012: \$50 million in September 2011 that had a 11% interest rate.

#### **Canada Pension Plan Borrowing**

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

#### **Bond Rating**

The Section is the focal point for all consultations with bond rating firms. During the 2011-2012 year, the Section 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.

### **Master Trust**

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

At the end of 2011/2012, Master Trust assets had a market value of \$1.5 billion.

The Master Trust has contracts with eight 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).

<b>Summary of Bond Ratings for PEI</b>			
<b>Bond Raters</b>	<b>Short-term Rating</b>	<b>Long-term Rating</b>	<b>Confirmation Date</b>
Moody's	–	Aa2	September 2011
DBRS	R-1 (low)	A (low)	August 2011
S&P	–	A/Stable	July 2011

# Taxation and Property Records

## Role/Mission

### *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.

### **Provincial Tax Commissioner**

Effective November 2008, Beth Gaudet was appointed the Provincial Tax Commissioner. In February 2011, in addition to her duties as Provincial Tax Commissioner, Beth accepted a temporary assignment as Chief Operating Officer, Information Technology Shared Services. As a result, duties within the various sections of Taxation and Property Records were realigned. The following description of the various sections reflects this realignment.

### **Corporate and Tax Administration Services**

(Formerly the Administration Section and Tax Administration and Client Services Section)

This section is responsible for:

- Providing overall administration of Taxation and Property Records including monitoring and reporting of provincial revenues, expenditure control, financial reconciliation of major revenue accounts and preparation of the annual budget.
- Reconciling and remitting property tax payments to municipalities.
- Providing for the administration and interpretation of provisions within consumption tax legislation and related regulations.
- Processing consumption tax returns, revenue and property tax payments and bank deposits.
- Facilitating the dissemination of tax information via hard copy brochures and websites for use by internal and external stakeholders.

- 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.

### **Tax Compliance Services**

(Formerly Audit, Collection and Inspection Services Section)

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.
- Defending real property assessment appeals filed with the Island Regulatory Appeals Commission.
- 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 to the private sector.

- Operating the provincial land registry system, interpretation of all land-related documents and the provision of property mapping for Prince Edward Island
- Administering assessment programs such as reappraisal, new construction and referral.

### **Real Property Services**

(Formerly Property Assessment Services Section)

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.
- Supporting tax credit programs such as provincial tax credit, bonafide farm and farm use.

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## ***Report Highlights***

### **Operational Plan**

Taxation and Property Records documented outcomes based on 2010/2011 operational planning goals and formalized an operational plan for 2011/2012 to guide strategic and operational directions for that fiscal year.

### ***Tobacco Tax Act***

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

From the Fall of 2007 to March 31, 2012:

- 26 charges were laid under the new Act resulting in fines totalling \$1,899,000 for possession of contraband tobacco products; and
- 80 warning letters were issued to tobacco retailers for failure to comply with the provisions of the *Tobacco Sales and Access Act*;
- 6 tobacco retailers had their tobacco retailers license suspended for violations under the *Tobacco Sales and Access Act*.

### **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. The public outreach sessions held in 2011 across the Province, providing taxpayers with an opportunity to meet with staff and discuss the new tax bill format, were repeated in 2012. The sessions were well received by those taxpayers who attended.

### **Automated Payment Processing**

With the goal to eliminate duplicate data entry for property tax payment processing, the Division partnered with financial institutions to receive property tax payment transactions electronically. The initial year of implementation identified the potential for significant savings using electronic transfer of property tax payment data.

### **Other Accomplishments**

- Implemented a pilot project providing the PEI Real Estate Association with access to GeoLinc based on a flat fee.
- Supported upgrade of ORACLE database for all IT systems.
- Upgraded property assessment and tax system - GOVERN.
- Identified requirements and initiated development of a tax exemption and permit system.
- Continued conversion of microfilmed Registry documents to digital images to support on-line availability.

**Comparison of Division Activity  
Over the Three-year Period – 2009-2012**

	<b>2009/2010</b>	<b>2010/2011</b>	<b>2011/2012</b>
Tax payments received in offices	304,788	312,803	291,898
Documents registered and interpreted (Registry of Deeds office)	17,221	16,738	16,959
New parcels (property) created	891	844	825
Subdivision plans filed	849	655	747
Registered revenue tax vendors	13,594	14,052	14,364
Registered tax exempt permit applications (farmers and fishermen)	2,766	2,634	2,647
Properties assessed (as of municipal rolls date)	102,166	102,925	103,765
Property assessment referrals (first-level appeal)	456	398	519
Appeals to IRAC (property assessment related)	17	8	4
Provincial market value assessment (as of municipal rolls date)	\$10.4 billion	\$10.8 billion	\$10.5 billion
Market value of exempt properties (as of municipal rolls date)	\$1.0 billion	\$1.0 billion	\$1.0 billion
New construction reviews and new accounts (property assessed value)	\$187 million	\$162 million	\$235 million
Number of regular audits completed	77	85	75
Regular audit assessments	\$1.5 million	\$2.0 million	\$2.3 million
Number of special assessments issued	339	271	156
Special assessments	\$189,000	\$112,000	\$162,000
Tax Revenue	\$391 million	\$401 million	\$417 million
Registry Office Revenue	\$2.4 million	\$2.3 million	\$2.3 million
Beverage Container Deposit Revenue	\$6.5 million	\$6.6 million	\$6.9 million



# Appendix A

## Department of Finance, Energy and Municipal Affairs

### *Expenses by Division*

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>ADMINISTRATION</b>		
<b>General</b>		
Administration	27,918	24,800
Equipment	-	1,000
Materials, Supplies & Services	6,754	4,000
Salaries	478,678	484,700
Travel & Training	66,569	62,100
<b>Total Administration</b>	<b>579,919</b>	<b>576,600</b>
<b>COMMUNICATIONS PEI</b>		
<b>Administration</b>		
Administration	17,214	16,300
Equipment	2,090	6,000
Materials, Supplies & Services	12,169	33,600
Professional and Contract Services	1,944	10,000
Salaries	687,447	441,800
Travel & Training	18,540	32,500
	<b>739,404</b>	<b>540,200</b>
<b>Document Publishing Centre</b>		
Administration	594,095	568,600
Materials, Supplies & Services	263,272	404,800
Professional & Contract Services	331,443	308,900
Salaries	591,815	588,500
Travel & Training	1,250	1,200
	<b>1,781,875</b>	<b>1,872,000</b>
<b>Multimedia Services</b>		
Administration	9,382	10,500
Equipment	10,246	13,400
Materials, Supplies & Services	71,199	75,200
Professional & Contract Services	675	1,000
Salaries	523,346	540,600
Travel & Training	8,883	12,300
	<b>623,731</b>	<b>653,000</b>

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>Strategic Marketing and Design</b>		
Administration	5,255	13,200
Equipment	4,297	10,000
Materials, Supplies & Services	26,386	17,600
Salaries	561,912	638,300
Travel and Training	2,025	1,000
	<b>599,875</b>	<b>680,100</b>
<b>Total Communications PEI</b>	<b>3,744,885</b>	<b>3,745,300</b>

#### **ECONOMICS, STATISTICS AND FEDERAL FISCAL RELATIONS**

##### **Economics, Statistics and Federal Fiscal Relations**

###### **Administration**

Administration	5,911	5,800
Equipment	24	1,700
Materials, Supplies & Services	2,679	2,800
Professional and Contract Services	14,980	15,800
Salaries	390,255	406,000
Travel & Training	21,396	25,400
	<b>435,245</b>	<b>457,500</b>

###### **Total Economics, Statistics and Federal Fiscal Relations**

**435,245      457,500**

#### **ENERGY AND MINERALS**

##### **Energy and Minerals**

Administration	23,586	9,100
Equipment	-	4,600
Materials, Supplies and Services	916	5,200
Professional and Contract Services	10,880	85,900
Salaries	127,847	122,300
Travel and Training	14,468	19,500
	<b>177,697</b>	<b>246,600</b>

##### **Office of Energy Efficiency**

Administration	12,986	25,000
Equipment	2,237	8,000
Materials, Supplies and Services	126,076	35,000
Professional and Contract Services	35,282	21,600
Salaries	319,477	325,700
Travel and Training	16,056	13,200

	<b>Actual 2011/2012 \$</b>	<b>Estimate 2011/2012 \$</b>
GRANTS		
Miscellaneous	1,440,601	1,245,000
	<b>1,952,715</b>	<b>1,673,500</b>
<b>Total Energy and Minerals</b>	<b>2,130,412</b>	<b>1,920,100</b>

#### **FISCAL MANAGEMENT**

##### **Treasury Board Operations**

Administration	18,672	22,600
Equipment	3,179	5,700
Materials, Supplies & Services	6,187	62,600
Professional and Contract Services	20,665	20,000
Salaries	478,263	720,900
Travel & Training	20,177	10,000
	<b>547,143</b>	<b>841,800</b>

##### **Pension & Benefits**

Administration	12,731	14,800
Equipment	8,930	10,700
Materials, Supplies & Services	2,592	5,100
Salaries	928,961	922,300
Travel & Training	5,589	11,200
	<b>958,803</b>	<b>964,100</b>

##### **Total Fiscal Management**

**1,505,946      1,805,900**

#### **INFORMATION TECHNOLOGY SHARED SERVICES**

##### **- CORPORATE OPERATIONS, FINANCE AND PLANNING**

##### **Administration**

Administration	26,482	37,300
Equipment	502	3,000
Materials, Supplies & Services	119	9,800
Professional & Contract Services	54,866	51,100
Salaries	309,013	401,500
Travel & Training	4,928	23,000

##### **Total ITSS - Corporate Operations, Finance and Planning**

**395,910      525,700**

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>INFORMATION TECHNOLOGY SHARED SERVICES - COO ADMINISTRATION</b>		
<b>Administration</b>		
Administration	1,523	3,500
Professional & Contract Services	44,575	150,000
Salaries	152,829	178,500
Travel & Training	-	2,500
<b>Total ITSS - COO Administration</b>	<b>198,927</b>	<b>334,500</b>
<b>INFORMATION TECHNOLOGY SHARED SERVICES - CLIENT SERVICES</b>		
<b>Administration</b>		
Administration	5,718	6,700
Equipment	-	3,100
Professional & Contract Services	70,200	-
Salaries	418,530	516,900
Travel & Training	8,543	3,200
<b>Total ITSS - Client Services</b>	<b>502,991</b>	<b>529,900</b>
<b>INFORMATION TECHNOLOGY SHARED SERVICES - ENTERPRISE ARCHITECTURAL SERVICES</b>		
<b>Administration</b>		
Administration	6,706	5,600
Equipment	487	500
Professional & Contract Services	-	30,000
Salaries	303,159	321,800
Travel & Training	9,570	14,500
<b>Total ITSS - Enterprise Architectural Services</b>	<b>319,922</b>	<b>372,400</b>
<b>INFORMATION TECHNOLOGY SHARED SERVICES - BUSINESS APPLICATION SERVICES</b>		
<b>Administration</b>		
Administration	73,819	80,100
Equipment	1,845	2,900
Materials, Supplies & Services	420	700
Professional & Contract Services	45,248	45,000
Salaries	148,141	149,600
Travel & Training	71,591	78,500
	<b>341,064</b>	<b>356,800</b>
<b>Business Application Services</b>		
Administration	10,144	12,000
Equipment	202,606	218,100
Materials, Supplies and Services	3,027,271	2,820,200
Professional and Contract Services	4,041,409	4,164,500
Salaries	4,891,366	5,035,900
Travel and Training	13,342	10,100
	<b>12,186,138</b>	<b>12,260,800</b>
<b>Total ITSS-Business Application Services</b>	<b>12,527,202</b>	<b>12,617,600</b>

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>INFORMATION TECHNOLOGY SHARED SERVICES - BUSINESS INFRASTRUCTURE SERVICES</b>		
<b>Administration</b>		
Administration	92,310	93,700
Equipment	-	1,700
Materials, Supplies & Services	144	4,500
Professional & Contract Services	153,870	78,700
Salaries	243,230	294,000
Travel & Training	19,433	58,500
	<b>508,987</b>	<b>531,100</b>
<b>Infrastructure</b>		
Administration	296,864	274,400
Equipment	974,959	1,079,800
Materials, Supplies and Services	1,769,795	2,667,200
Professional and Contract Services	518,050	505,000
Salaries	4,018,031	4,452,800
Travel and Training	267,111	156,400
	<b>7,844,810</b>	<b>9,135,600</b>
<b>Total IT Shared Services - Business Infrastructure Services</b>	<b>8,353,797</b>	<b>9,666,700</b>
<b>TECHNOLOGY ASSET MANAGEMENT</b>		
Leased Computers		
Equipment	1,421,886	1,600,000
<b>Total Technology Asset Management</b>	<b>1,421,886</b>	<b>1,600,000</b>
<b>Total Information Technology Shared Services</b>	<b>23,720,635</b>	<b>25,646,800</b>
<b>MUNICIPAL AFFAIRS AND PROVINCIAL PLANNING</b>		
<b>Administration</b>		
Administration	9,504	13,500
Equipment	1,628	3,500
Materials, Supplies & Services	9,154	3,500
Professional & Contract Services	26,146	5,000
Salaries	274,348	302,600
Travel & Training	5,614	3,500
	<b>326,394</b>	<b>331,600</b>
<b>Municipal Affairs</b>		
Equipment	859	-
Salaries	204,756	216,100
Travel and Training	4,351	8,200

	<b>Actual 2011/2012 \$</b>	<b>Estimate 2011/2012 \$</b>
<b>GRANTS</b>		
Federation of P.E.I. Municipalities	100,000	100,000
Municipal Equalization Grants	23,221,656	23,218,000
Municipal Training Support	6,688	6,300
	<b>23,538,310</b>	<b>23,549,400</b>
<b>Provincial Planning</b>		
Salaries	248,522	270,800
Travel and Training	-	4000
	<b>248,522</b>	<b>274,800</b>
<b>Total Municipal Affairs and Provincial Planning</b>	<b>24,113,226</b>	<b>24,155,800</b>
<b>OFFICE OF THE COMPROLLER</b>		
<b>Accounting</b>		
Administration	31,785	30,100
Equipment	4,524	2,800
Materials, Supplies & Services	1,477	4,000
Professional and Contract Services	54,578	54,300
Salaries	1,175,964	1,163,500
Travel & Training	9,999	13,600
	<b>1,278,327</b>	<b>1,268,300</b>
<b>Procurement</b>		
Administration	3,378	8,900
Equipment	2,189	2,900
Materials, Supplies & Services	359	2,200
Salaries	226,659	238,500
Travel & Training	2,846	3,100
	<b>235,431</b>	<b>255,600</b>
<b>Debt, Investment and Pension Management</b>		
Administration	16,307	19,200
Equipment	500	4,000
Professional and Contract Services	441	5,300
Materials, Supplies & Services	91,858	125,600
Salaries	341,662	387,900
Travel & Training	22,635	18,600
	<b>473,403</b>	<b>560,600</b>

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>Risk Management and Insurance</b>		
Administration	6,171	5,900
Equipment		800
Materials, Supplies & Services	871	1,300
Professional and Contract Services	60,000	63,000
Salaries	188,916	255,900
Travel & Training	3,651	5,600
	<b>259,609</b>	<b>332,500</b>
<b>Corporate Administration</b>		
Administration	6,492	21,400
Equipment	1,041	1,000
Materials, Supplies & Services	-	1,600
Salaries	382,477	354,700
Travel & Training	-	1,200
	<b>390,010</b>	<b>379,900</b>
<b>Total Office of the Comptroller</b>	<b>2,636,780</b>	<b>2,796,900</b>

#### **TAXATION AND PROPERTY RECORDS**

##### **Administration**

Administration	26,655	36,700
Debt	863,900	863,900
Materials, Supplies & Services	33,814	45,900
Salaries	242,143	312,100
Travel & Training	8,575	8,500
	<b>1,175,087</b>	<b>1,267,100</b>

##### **Tax Audit, Collection and Inspection Services**

Professional and Contract Services	5,113	8,000
Salaries	1,202,093	1,349,900
Travel & Training	19,503	29,000
	<b>1,226,709</b>	<b>1,386,900</b>

##### **Tax Administration and Client Services**

Administration	84,021	91,400
Equipment	4,058	4,000
Materials, Supplies & Services	43,244	68,000
Professional & Contract Services	106,371	166,000
Salaries	1,686,652	1,775,300
Travel & Training	9,614	9,000
	<b>1,933,960</b>	<b>2,113,700</b>

	<b>Actual</b>	<b>Estimate</b>
	<b>2011/2012</b>	<b>2011/2012</b>
	<b>\$</b>	<b>\$</b>
<b>Property Assessment Services</b>		
Materials, Supplies & Services	2,881	4,400
Salaries	1,281,458	1,351,400
Travel & Training	63,277	36,200
	<u><b>1,347,616</b></u>	<u><b>1,392,000</b></u>
 <b>Total Taxation and Property Records</b>	 <u><b>5,683,372</b></u>	 <u><b>6,159,700</b></u>
 <b>TOTAL FINANCE, ENERGY AND MUNICIPAL AFFAIRS</b>	 <u><u><b>64,550,420</b></u></u>	 <u><u><b>67,264,600</b></u></u>



# Appendix B

## Department of Finance, Energy and Municipal Affairs

### *Revenue*

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>Federal</b>		
Equalization	329,022,419	328,805,000
Canada Health Transfer	116,445,000	114,855,000
Canada Social Transfer	48,933,000	47,678,000
Base Funding for Infrastructure	41,000,000	42,000,000
Wait Time Funding	1,057,000	1,035,000
Statutory Subsidy	678,965	679,000
<b>Total Federal Revenue</b>	<b>537,136,384</b>	<b>535,052,000</b>
<b>Provincial</b>		
Lottery Commission	10,809,839	11,483,000
Health Tax on Liquor	16,907,851	17,139,900
Health Tax on Tobacco	37,039,990	39,100,000
Real Property Tax	98,843,613	98,000,000
Revenue Tax	214,142,222	212,047,200
Gasoline Tax	41,787,414	42,900,000
Corporation Capital Tax	5,792,002	3,700,000
Environmental Tax	698,152	700,000
Real Property Transfer Tax	3,859,973	3,700,000
Personal Income Tax	285,749,616	271,030,400
Corporate Income Tax	38,286,765	40,427,000
Registry of Deeds Fees	2,332,138	2,300,000
Beverage Container	6,879,523	6,800,000
Other	3,042,734	1,789,000
<b>Total Provincial Revenue</b>	<b>766,171,832</b>	<b>751,116,500</b>
<b>Total Departmental Revenue</b>	<b>1,303,308,216</b>	<b>1,286,168,500</b>
<b>Investment Income</b>	<b>8,517,933</b>	<b>9,879,500</b>
<b>Sinking Fund Earnings</b>	<b>12,232,794</b>	<b>15,949,000</b>
<b>Employee Benefits</b>	<b>32,990</b>	<b>-</b>

# Appendix C

## Department of Finance, Energy and Municipal Affairs

### *Other Expenditure Budgetary Responsibilities*

	Actual 2011/2012 \$	Estimate 2011/2012 \$
<b>General Government</b>		
Miscellaneous General	197,174	320,000
Grants	1,775,567	1,864,000
Government Insurance Program	1,508,866	1,555,000
Contingency Fund and Salary Negotiations	1,046,080	348,500
<b>Total General Government</b>	<b><u>4,527,687</u></b>	<b><u>4,087,500</u></b>

**Explanation Notes:**

**Miscellaneous General** provides funding for the Premier's and Minister's 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 2011/2012 \$	Estimate 2011/2012 \$
<b>Council of Atlantic Premiers</b>		
Council of Atlantic Ministers of Education and Training	14,863	15,300
Council of Atlantic Premiers Secretariat	80,801	81,100
Maritime Provinces Higher Education Commission	85,300	87,300
Atlantic Provinces Community College Consortium	4,548	4,700
<b>Total Council of Atlantic Premiers</b>	<b><u>185,512</u></b>	<b><u>188,400</u></b>

**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 2011/2012 \$	Estimate 2011/2012 \$
<b>Interest Charges on Debt</b>		
Debt	103,067,293	106,495,600
<b>Total Interest</b>	<b>103,067,293</b>	<b>106,495,600</b>
<b>Amortization of Debenture Discount</b>		
Debt	1,530,417	1,610,700
<b>Total Amortization of Debenture Discount</b>	<b>1,530,417</b>	<b>1,610,700</b>
<b>Total Interest Charges on Debt</b>	<b>104,597,710</b>	<b>108,106,300</b>

**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 2011/2012 \$	Estimate 2011/2012 \$
<b>Employee Benefits</b>		
Medical/Life Benefits	268,660	298,400
Employees' Future Benefits	16,380,587	10,823,800
Government Pension Contribution	40,682,970	27,468,800
Pension Management	467,413	351,800
<b>Total Employee Benefits</b>	<b>57,799,630</b>	<b>38,942,800</b>





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