



# Finance, Energy and Municipal Affairs 2013-2014

# Annual Report



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

**Annual Report**  
**2013-2014**

**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, 2014.



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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Sheridan'. The signature is fluid and cursive.

Wesley J. Sheridan  
*Minister*



# Table of Contents

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	Page
Operating Principles Adopted by the Staff of the Department of Finance, Energy and Municipal Affairs .....	1
Legislative Responsibilities Assigned to the Minister .....	3
Organizational Chart .....	4
Departmental Overview .....	5
Departmental Profile .....	5
Tour d’horizon du ministère .....	7
Profil ministériel .....	7
Department Financial Summary .....	9
Divisional Reports	
Economics, Statistics and Federal Fiscal Relations .....	10
Energy and Minerals .....	14
Information Technology Shared Services .....	16
Municipal Affairs and Provincial Planning .....	22
Taxation and Property Records .....	25
Treasury Board Secretariat .....	28
Appendices	
Appendix A – Department Expenditures .....	37
Appendix B – Other Expenditure Budgetary Responsibilities .....	42
Appendix C – Department Revenue .....	44



# **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.





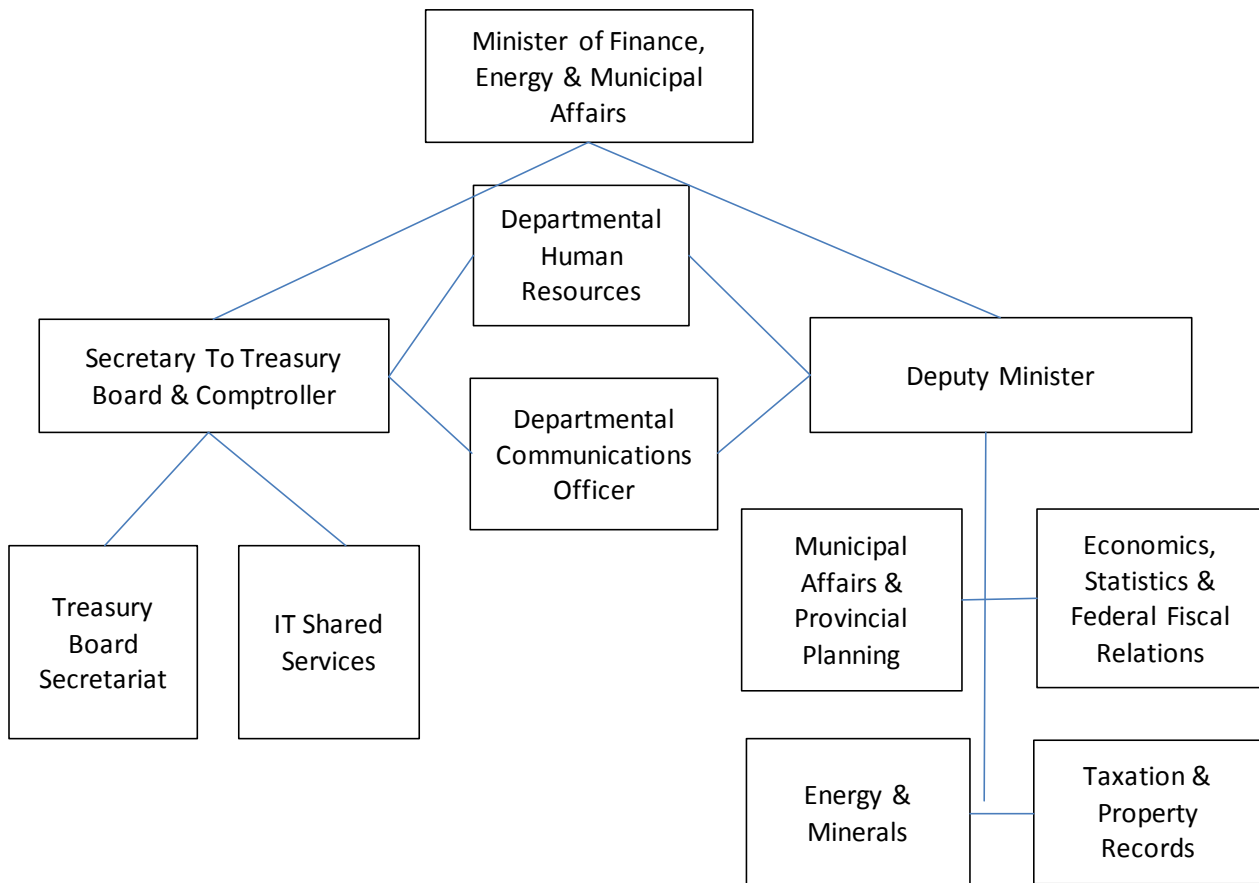
# Legislative Responsibilities Assigned to the Minister of Finance, Energy and Municipal Affairs

As of March 31, 2014

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>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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# 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

### 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

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.

### 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.

### 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.

### Treasury Board Secretariat

The Treasury Board Secretariat provides policy advice on Government expenditures and fiscal planning, develops the annual fiscal framework and prepares the Budget Estimates of Revenue and Expenditure.

The Secretariat is also responsible for providing Comptrollership services including operating the Government's corporate accounting system and preparing the Public Accounts; administering procurement services; debt investment and pension management; and risk management and insurance.

### **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**

### **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**

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

### **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.

## **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.

## **Secrétariat du Conseil du Trésor**

Le Secrétariat est également responsable des services de contrôle, notamment l'opération du système de comptabilité ministérielle du gouvernement et de la préparation des comptes publics; des services d'approvisionnement; de la dette, de l'investissement et de la gestion des pensions; ainsi que de la gestion des risques et de l'assurance.

## **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 2013/2014 \$	Estimate 2013/2014 \$
<b>Expenditure by Division*</b>		
Administration	510,000	498,700
Economics, Statistics and Federal Fiscal Relations	5,814,251	422,400
Energy and Minerals	1,521,711	1,739,000
Information Technology Shared Services	22,553,964	24,889,000
Municipal Affairs and Provincial Planning	23,043,886	23,098,800
Taxation and Property Records	4,943,758	6,187,600
Treasury Board Secretariat	8,417,893	9,205,200
<b>Total Department Expenditure</b>	<b>66,805,463</b>	<b>66,040,700</b>
<b>Other Budgetary Responsibilities**</b>		
General Government	7,584,874	11,328,600
Council of Atlantic Premiers	188,209	188,400
Interest Charges on Debt	113,924,743	113,349,300
Employee Benefits	77,828,853	46,770,100
<b>Revenue***</b>		
Federal Sources	560,131,541	534,631,000
Provincial Sources	822,727,129	815,349,500
Investment Income	7,481,159	7,622,900
Sinking Fund Earnings	8,113,693	8,088,600
Employee Benefits	178,975	178,800

\*Detailed Expenditure information is included in Appendix A.

\*\* Detailed Other Budget information is included in Appendix B.

\*\*\* Detailed Revenue information is included in Appendix C.

# Economics, Statistics and Federal Fiscal Relations

## Role/Mission

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

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## Report Highlights

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

The most prominent aspects of federal/provincial fiscal arrangements are Equalization, Canada Health Transfer, Canada Social Transfer, the Income Tax Collection Agreement, the Comprehensive Integrated Tax Coordination 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.

### ***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 2013 Budget Paper: Background Notes on the Economy which consists of National and International Review, Provincial Highlights 2013, the Prince Edward Island Economy, Detailed Industry Analysis and Summary Statistics. The reports provided analytical support to the drafting of the Budget speech. The section also produced the Provincial Economic Update in the Fall of 2013.

The Province's economic situation 2013/2014 was presented to the following bond rating agencies: Moody's, DBRS, and Standard and Poor's. A presentation on the Island's economic and fiscal situation was delivered at the Bank of Montreal Annual Government Finance Conference. 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 meetings. 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.

The Division provided advice regarding the proposal to harmonize the provincial sales tax with the federal Goods and Services Tax (HST) that became effective April 1, 2013. This work included extensive public consultation and provincial policy advice to government including point-of-sale exemptions, rebates and tax credits for low and modest income households. This work supported the development of the Comprehensive Integrated Tax Coordination Agreement (CITCA) that defines the policy on the harmonized sales tax.

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. Among 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.

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. Two Community Economic Development Businesses were launched in 2013/2014.

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 several different Federal/Provincial/Territorial income tax committees, of which Federal membership includes the Department of Finance Canada and the Canada Revenue Agency. These different committees deal with a large slate of tax policy issues relating to income, sales and commodity taxation and includes 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.

### ***Statistics Bureau***

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.

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 2013/2014, 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 assisted and advised the Minister in the triennial review of the Canada Pension Plan.

Provided technical and policy support to Minister and Deputy 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

### 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%. 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.

Construction is now completed at Hermanville/Clearsprings and the new wind farm went into service in January 2014. Production at Hermanville/Clearsprings is expected to bring PEI's renewable electricity close to 30% of total production.

### 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 6,000 Islanders complete residential energy audits and provided \$12 million in loans and grants to help Island homeowners and businesses reduce their energy consumption.

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%, to a maximum of \$1,500 per household;
2. 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.

3. Commercial Grant Program - The commercial/institutional programs provide funding to complete energy assessments and financial assistance to make energy efficiency improvements. Energy audit assistance of up to \$2,000 is available in addition to incentives of up to \$20,000 to make energy efficiency improvements.

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



# 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 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 four divisions.

#### Business Application Services Division (BAS)

The Business Application Services Division is responsible for the development of new systems, maintenance and enhancement of existing systems, as well as supporting the day-to-day operations of mission critical systems used by Government of PEI staff to deliver services to Islanders. The Division consists of five sections: *Application Development, System Support, Data Services, the Project Management Office*, and the *Clinical Information System (CIS)*.

#### Business Infrastructure Division (BIS)

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, Operations and Projects*.

#### Corporate Operations, Finance and Planning Division (COFP)

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.

#### Enterprise Architecture Services Division (EAS)

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***

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### **Agriculture and Forestry**

- Implemented automatic data transfer process to Agriculture and Agri Food Canada from the Premise Identification Program
- Managed the IT portion of the renovations of the Kensington Post Office Building and the Kensington Potato Services Building and facilitated the moves of users from the Research Station, 5th Floor Jones and Building 19 to these locations
- Built a Virtual Environment for ArcIMS Flexview
- Gathered requirements for the Wildlife Licensing Application
- Completed a Gap Analysis for the Agriculture Insurance Corporation
- Completed Phase 2 of the Agriculture Insurance Corporation Application Review
- Developed the Women's Institute Website

### **Community Services and Seniors**

- Completed the latest release of Integrated Services Management (ISM)
- Completed the revisions of Integrated Services Management (ISM) documents and Assessments for Social Assistance and Disability Support Programs

- Implemented various rates changed within Integrated Services Management (ISM) for Child and Family Services and Social Assistance clients
- Completed a streamlining exercise for Child and Family Services by revising services within Integrated Service Management (ISM)

### **Legislative Assembly**

- Redesigned the Legislative Assembly of PEI Website
- Implemented Virtual Server infrastructure for the existing Elections PEI voting environment in preparation of the Fall Election
- Replaced existing DVD recording device with a Synology Network-Attached Storage Device
- Completed the Coles Building Network upgrade to improve operational performance for staff
- Implemented Wireless at Province House and Coles building

## **Education and Early Childhood Development**

- Commissioned IBM K-12 report with Education to outline Educations requirements and create a roadmap to implement technology in support of education initiatives
- Installed Education Link at all PEI Schools (Partnership with Eastlink) to run an independent fibre network to all schools. All schools now have equal high speed connectivity to the Government network and the Internet.
- Completed the project management to implement a network connection for the Montague Alternate Education Program relocation to the Church of Christ building on Main Street in Montague
- Completed the project management for the English Language School Board staff relocation from the Stratford office to various School locations
- Completed the project management to update the computer lab at Westwood Primary School in Cornwall
- Completed the project management for the Kurzweil Document Management System
- Implemented the Google Application for Education pilot project
- Implemented the Instructional, Development and Assessment website
- Uploaded large supporting documents to Early Childhood Development website
- Converted old web pages to the new Word Press site for several schools
- Trevlac application upgraded
- Updated to Student Achieve application for all schools
- Added more libraries to the KOHA application for Early Childhood and Autism
- Managed the IT work related to the Phase 2 & 3 renovation of École-sur-Mer
- Completed the IT work related to the Capital build for Spring Park School and Montague Intermediate School

- Installed wireless access points and laptops at schools offering Agriculture Curriculum
- Continued the migration of physical servers in each school to the Government's Virtual Environment at the Charlottetown Data Centre
- Completed IT planning for the François Buote expansion
- Completed IT planning for the TOSH Industrial Arts Wing
- Upgraded AntiVirus software programs at all schools

## **Environment, Labour and Justice**

- Implemented various system upgrades to Maintenance Enforcement Program (MEPS)
- Implemented various system upgrades to Fully Automated Court Technology System (FACTS)
- Migrated legacy access applications to new Web Java Environment for excavation pits, waste water and underground tanks
- Implemented various system upgrades to the Youth Management System (YIMS)
- Redeveloped Generator - Carrier - Receive of Waste application
- Added wireless infrastructure to the Charlottetown courthouses (Provincial, Supreme and Appeals)
- Migrating the Building Permits application to Java
- Redeveloped Waste Water Application
- Implemented Video Conferencing using Webex infrastructure at the courts
- Built the Business Continuity Management Application

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

- Completed the project management for relocating and upgrading the computer training labs from the basement of Jones Building to the 5th Floor Sullivan Building
- Completed the project management for porting all cell phones from Rogers to Bell Mobility

- Completed the project management to implement the Telemanager system used to view and manage Bell Mobility invoices
- Implemented various system enhancements: Property Tax System (GOVERN), Sales Tax System (AMANDA), GeoLinc System, Financial Information System (FIS), and WatchDox
- Implemented various reporting capabilities to systems within Taxation and Property Records
- Completed the RFP process for the Web Renewal Project
- Completed a security review for Web Services Applications
- Upgraded the Stream Level Monitoring Web Application
- Redesigned the Programs and Services component of the government website
- Managed the Wide Area Network upgrade at all 3 Data centres and 4 hub sites to increase bandwidth from 1GB to 10GB
- Upgraded the Payment Engine for the Government Website
- Completed LINC Payroll Data Archiving
- Upgrade of Government Data Back Up system
- Installed wireless infrastructure within the PAB complex, Hospitals, Coles/Legislature, and Charlottetown Courthouses.
- Completed a review and restructure of Government data centres across the Province.
- Website Hardware Upgrade
- Continued Microsoft Office deployment

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

- Implemented the Employment Development Application Upgrade
- Implemented the new Customer Flow Management System for Access PEI Charlottetown
- Developed an Oyster Monitoring Website/ Application

### **Health and Wellness**

- Implemented the Vital Statistics System Release 4.1
- Implemented on-line payments for Vital Statistics services
- Completed the Separate Given Names (Statement of Work) for Vital Statistics
- Implemented a new Physician Recruitment database
- Procured and implemented new Tablets for Environmental Health
- Completed updates for the Integrated Services Management( ISM) reports to capture vaccine information for the Chief Public Health Office

### **Health PEI**

- Completed iPad Pilot with Physician participants at the Queen Elizabeth Hospital and the Prince County Hospital
- Completed the project management for technical requirements for the relocation of the Evangeline Health Centre in Wellington
- Completed the Lab Automation System infrastructure and application implementation of a robotic medical instrument for managing blood storage and testing the QEH Chemistry Lab
- Implemented live streaming for Health PEI's Annual General Meeting
- Completed pilot roll-out of CIS "Powerchart View" Access in Long Term Care at two facilities
- Implemented the Health Financial System Handheld Inventory devices for Material Management
- Implemented pre-hospital ECG's for Island EMS within ambulances
- Replaced the Cactus System Medical Record system with Med2020 WinRecs in all hospitals
- Implemented the 811 Telehealth system
- Upgraded the Integrated Claims Systems and Drug Information Systems (ICS/DIS) to the Medigent 4.0

- Completed the wait time application <http://www.healthpei.ca/erWaitTimes> for the Emergency Wait Times for Queen Elizabeth Hospital and Prince County Hospital
- Implemented a new service in the Integrated Services Management (ISM) for Community Mental Health and Addictions
- Revised the ISM assessments and data quality check reports completed for Reproductive Care
- For Reproductive Care - Implemented automated data extract
- For Infection Prevention & Control - Long Term Care - Completed requirements gathering for new ISM program area
- For Community Nutrition - Completed implementation of the General Referral form and data extract for referrals
- Implemented the Long Term Subsidy program in the ISM
- Completed requirements gathering for the Asthma Clinic at the Queen Elizabeth Hospital (QEH) in the ISM
- Upgraded and Modernized the wireless network at Prince County Hospital, QEH, Kings County Memorial Hospital, Souris Hospital, Western Hospital, and Community Hospital O'Leary
- Implemented Clinical Information System (CIS) 7/24 Downtime, allowing hospital staff to access patient information during a system downtime
- Computerized Physician Order Entry (CPOE) rollout for Health
- Upgraded Grasp environment at the QEH
- Provincial Pharmacy - Kroll Upgrade
- Purchased Dragon, speech recognition software for clinicians
- Completed the Financial Edge Upgrade 7.85 Implementation
- Completed IT Work related to the following Capital projects: construction IT components for renovation of existing Palliative Care Centre within the old PE Home location, new PE Home, new

Summerset Manor; migration of the Kensington Medical facility from a privately-managed medical centre to a provincially-managed site on the health network, new Montague Health Centre; design and implementation for the new Palliative Care Centre; design and phase 1 implementation the QEH Day Surgery; completed relocation of Evangeline Health Centre to Wellington; Colville Manor replacement; Maplewood Manor replacement; QEH Ambulatory Care expansion and QEH Physical Medicine Renovations

### **Innovation and Advanced Learning**

- Implemented various system upgrades to One Client Service Model (OCSM)
- Implemented software upgrade for The Exceptional Assistant (TEA) from version 9 to version 10
- Upgraded the Labour Market Development Agreement (LMDA) application

### **Tourism and Culture**

- Developed and implemented an application for the Public Archives and Records Office to manage all their Archival data and images in one application
- Developed and implemented a web application for the Public Archives and Records Office website that allows the public to view and access more archival information and images
- Completed the project management for technical requirements for the relocation of the Stratford Public Library
- Upgraded single-touch screens to multi-touch at the Charlottetown Airport
- Replaced and upgraded all public computers at the Provincial Libraries
- Completed the User Requirements of Tourism Indicator Database
- Completed Business Requirements for Brookvale's Online Store
- Completed the Library Vehicle Project

- Implemented wireless at two Provincial Campgrounds – Brudenell and Cedars Dunes via partnership with private sector companies
- Completed the TV screenscapes installation for Island libraries for 2014 celebrations
- Upgrade and Implementation of New Warehouse Network Connection at PEI Liquor Control Commission
- Upgraded the Brookvale Point Of Sale System

### **Transportation and Infrastructure Renewal**

- Completed the project management to implement an internet connection for Environment Industrial Services Inc. for waste water monitoring equipment located at Bloomfield Elementary and Provincial Correctional Centre
- Completed the project management for technical requirements for the Provincial Administration Buildings (PAB) Security Controlled access
- Implemented the Driver Vehicle System on April 1<sup>st</sup>, 2013
- Developed a Dealership New Registration Application
- Developed application for Motor Vehicle Online Renewals

### **Corporate**

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

- Completed BlackBerry B10 Environment upgrades
- Completed an expansion of the Network Operations Centre coverage for monitoring of the Government Network and Devices
- Kick off of Tiered Storage Project to upgrade and modernize data storage within the Government in order to minimize costs as data growth continues

# 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.

### **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.

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## ***Report Highlights***

- Modernizing the *Municipalities Act* continues to be a priority area of work for the Municipal Affairs Branch over the past year.
- In November 2014, nearly all municipalities in the Province elected city, town and community council members to four-year terms. Going forward in the future, all 73 Prince Edward Island municipalities will be on the same four-year election cycle which will add consistency and predictability to the process.
- The Municipal Affairs Branch reviewed 32 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.

- Supporting implementation of the *New Foundations - Report of the Commission on Land and Local Governance* continued to be 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.
- Early in 2013, the Carver Commission engaged in an extensive public consultation process as part of its inquiry and review of the *Lands Protection Act*.
- In June, 2013, Commissioner Carver submitted the *Report of the Commission on the Lands Protection Act* to Executive Council.
- In the Fall of 2013, Executive Council endorsed 28 of the 29 recommendations contained in the report.
- In 2013-2014, work was undertaken to implement recommendations in the Carver Report requiring legislative changes.
- In November 2014, Bill 20 - An Act to Amend the Prince Edward Island Lands Protection Act was passed in the legislature. The amendments contained in Bill 20 represent the legislative implementation of the Carver Report released in June 2013.
- In 2013, the Land Use Policy Task Force engaged in an extensive public consultation process to inform and support development of detailed recommendations for land use policies and their implementation in a comprehensive land use policy framework.
- In 2014, the Land Use Policy Task Force submitted its report and made recommendations intended to inform and support sustainable development throughout the Province including the adoption of Statements of Provincial Interests as well as a review and revision of the *Planning Act*.
- The Provincial Planning Branch amended sections of the Sub-Division and Development Regulations to provide greater clarity and support compliance.
- Each year, the Provincial Planning Branch reviews approximately 40 Land Identification applications involving 300-400 acres.
- Since the Land Identification Review process began in 2004, approximately 60,000 acres have been identified for non-development use.
- The Provincial Planning Branch continues to increase mapping capacity within the Municipal Affairs and Provincial Planning Division.

# Taxation and Property Records

## Role/Mission

*The mandate of Taxation and Property Records Division is to ensure fairness and equity in the application and collection of provincial tax and fee revenues, and equity and uniformity in the production of provincial, municipal and fire district 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

Taxation and Property Records administers the Province's property assessment and tax, consumption tax and land registry legislation and ensures the legislation is applied fairly and consistently. The Division also develops and maintains land-related information systems used by internal and external stakeholders.

### Division Structure

In April 2013, the Harmonized Sales Tax (HST) replaced Revenue Tax (PST) in Prince Edward Island. The various sections within the Division were re-aligned to reflect this new tax regime.

### Administration

This section is responsible for:

- Providing overall administration of Taxation and Property Records including monitoring and reporting of provincial revenues, expenditure control, reconciliation of major revenue accounts and preparation of the annual budget.
- Reconciling and remitting property tax payments to municipalities, fire districts and IWMC.
- Facilitating the dissemination of tax information via hard copy brochures and websites for use by internal and external stakeholders.

- Interpreting consumption tax legislation and responding to tax payer inquiries.
- Collecting provincial consumption taxes in the most effective and efficient manner, with a minimum amount of hardship to the taxpayer.

### Tax Administration and Client Services

This section is responsible for:

- Providing for the administration and interpretation of provisions within consumption tax legislation and related regulations.
- Processing consumption tax returns, consumption and property tax payments and bank deposits.
- Preparing annual and amended property tax bills.
- Administering various tax programs such as seniors tax deferral, grants-in-lieu of property taxes and marked fuel.
- Tax compliance activity, including the performing consumption tax audits, International Fuel Tax (IFTA) and International Registration Plan (IRP) audits and new vendor visits.

## Real Property Services

This section is responsible for:

- Assessing all real property in the Province on an annual basis at the market value assessment.
- Maintaining a taxable value assessment for owner occupied residential property.
- Producing annual provincial, municipal and fire district assessment rolls which form the basis for levying property taxes, dues and fees.
- Administering assessment programs such as reappraisal, new construction and referral.
- Supporting tax credit programs such as provincial tax credit, bonafide farm and farm use.
- Defending real property assessment appeals filed with the Island Regulatory Appeals Commission.
- 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.

## Report Highlights

### Operational Plan

Taxation and Property Records documented outcomes based on 2012/2013 operational planning goals and formalized an operational plan for 2013/2014 to guide strategic and operational directions for that fiscal year.

### Harmonized Sales Tax (HST) Transition

Taxation and Property Records managed the transition steps required for implementation of the Harmonized Sales Tax. At a high level, steps included:

- Facilitating a seamless transition of staff to Canada Revenue Agency.
- Winding down HST project;
- Formalizing protocols for post April 1, 2013 communications with consumers and vendors
- Facilitating amendments to the *Gasoline Tax Act* and the *Tobacco Tax Act*;
- Redesigning website to support historical PST reference material
- Developing a relationship with CRA and other participating provinces as a HST stakeholder.
- Supporting Environment Tax vendors in collection and remittance of tax post-PST

### Management Plan Measures

The Division developed and submitted a three year Management Plan contributing to the overall government plan toward deficit elimination. Taxation and Property Records management plan measures for 2013/2014 included:

- Committing to salary reductions through vacant positions, inter-departmental funding, casual positions and retirement/succession plans.
- Increasing the cost of Registry Office services
- Reducing discretionary spending within the Division related to overtime allowance, meeting and conference expense, contract services, advertising and promotion and travel.

### Other Accomplishments

- Converted CARIS Geomatics to the industry standard ESRI platform
- Developed a proposal and received Treasury Board approval for a two (2) year project to integrate the use of digital imagery into property assessment processes.
- Promoted the on-line access of municipal assessment roll information by municipal stakeholders.

- Prepared for transition to electronic audit processes for mandatory IFTA compliance audits.
- Expanded use of electronic transfer of property tax information between the Province and financial institutions.
- Converted historical registry office documents to digital images to enhance access and availability for registry clients.
- Completed a comprehensive review of the Farm Use program.
- Initiated a comprehensive review of Provincial Tax Credit program criteria and application processing.

### Comparison of Division Activity Over the Three-year Period – 2011-2014

	2011/2012	2012/2013	2013/2014
Tax payments received in offices	291,898	337,596	324,918
Documents registered and interpreted (Registry of Deeds office)	16,959	15,294	17,851
New parcels (property) created	825	716	545
Subdivision plans filed	747	615	555
Registered revenue tax vendors	14,364	10,258	n/a
Registered tax exempt permit applications (farmers and fishermen)	2,647	2,574	2,490
Properties assessed (as of municipal rolls date)	103,765	104,514	105,530
Property assessment referrals (first-level appeal)	519	383	414
Appeals to IRAC (property assessment related)	4	5	6
Provincial market value assessment (as of municipal rolls date)	\$10.5 billion	\$10.9 billion	\$11.2 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)	\$235 million	\$184 million	\$180 million
Number of regular audits completed	75	95	125
Regular audit assessments	\$2.3 million	\$2.9 million	\$3.2 million
Number of special assessments issued	156	66	23
Special assessments	\$162,000	\$253,000	\$42,000
Tax Revenue	\$417 million	\$419 million	\$209 million
Registry Office Revenue	\$2.3 million	\$2.5 million	\$2.3 million
Beverage Container Deposit Revenue	\$6.9 million	\$7.1 million	\$6.8 million

# Treasury Board Secretariat

## Role/Mission

*The Treasury Board Secretariat's primary responsibility is to provide policy advice on Government expenditures and fiscal planning, develop the annual fiscal framework and prepare the Budget Estimates of Revenue and Expenditure. The Secretariat is also responsible to provide Comptrollership services including: operating the Government's corporate accounting system and preparing the Public Accounts; administer procurement services; debt, investment and pension management; and risk management and insurance.*

## Overview

### Budget Management and Treasury Board Operations

This section is comprised of three distinct sections: Budget Management; Treasury Board Operations; and Corporate Finance.

#### ***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.

#### ***Corporate Finance***

The Corporate Finance Section provides financial support for each department. The Section prepares departmental estimates, forecasts and processes actual revenue and expenditure transactions.

#### ***Pensions and Benefits***

The Pensions and Benefits Section devotes the majority of its resources to the administration of 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 7,200 contributing members spread across 19 participating employers. There are about 3,500 individuals (retirees, surviving spouses and dependants) in receipt of monthly benefits from the CSSF.

There are three 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.

### **Office of the Comptroller**

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 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 manages a Student Loan portfolio of overdue accounts.

### **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 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. These duties involve the accurate and timely recording of revenues received and amounts due to the Province. The section oversees a number of electronic interfaces from other IT systems, it reconciles amounts deposited to the Province's bank account 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 performing 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.

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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) 2014. For the Spring sitting, the section provided the 2013 Budget Address, the Operating Estimates of Revenue and Expenditure and the 2013 *Appropriation Act* (Current Expenditures 2013), 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, Policy Board and the Operations Committee.

During the past fiscal year, divisional staff represented Treasury Board on various committees including the Agricultural Insurance Corporation and the Land Use Co-ordinating Committee. Staff 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 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.

## Accounting

Staff undertook a number of initiatives to provide guidance and support to FIS users in 2013-2014. Included was the development of training sessions and the development a resource centre on the Province's internal web-site which has information on various FIS business processes, reporting options, accounting policies etc.

Effective April 1, 2013 the capital assets (land, buildings and equipment) of the English Language School Board and the French Language School Board were transferred to the Province's Operating Fund. Considerable effort was undertaken by the staff of the Office of the Comptroller, the Department of Education and Early Childhood Development and the School Boards to document these assets and record them in FIS.

In April 2013 the new Motor Vehicle Registration System was implemented, including the capability to register vehicles on the Province's on-line business portal (e-Services). The Office of the Comptroller's involvement in this project was ensuring that financial information related to registration revenues was accurately transferred from e-Services to FIS. A number of other services will be added to e-Services in the future, presently under development is Vital Statistics services which are expected to go live in the Spring of 2014.

Considerable effort is used each year to keep the Province's financial system up to date and responsive to the needs of users. This includes software upgrades, implementation of new software functionality, working with users on improving processes and ongoing work with interface systems which transfer information into and out of our system. In March 2014 three new software modules were purchased from Oracle Canada. Oracle Property Manager is a tool which will be used to manage the Province's buildings, including owned and leased properties. Oracle Loans will be used to manage amounts due to the Province's including loans to Crown agencies,

municipalities etc. User Productivity Kit Professional is a tool that will be used to document business processes and can be used for training and for testing changes to our information system.

Volume 1 of the Public Accounts for the year ended March 31, 2013 was completed and released in January 2014. The major cause of the delay in release was changes to the Province's pension plans which were announced in the fall of 2013. Information on the financial impact of these changes had to be disclosed in the Notes to the 2012-2013 statements. The gathering of this information, and subsequent review by the Auditor General, took considerable effort and time. Significant changes in financial statement presentation for 2012-2013 included:

- A change in accounting standards relating to capital revenue was implemented in 2012-2013. Previously revenue received for the acquisition of tangible capital assets was deferred and amortized at the same rate as the related asset. Under the new standard capital revenue is recorded as revenue in the year it is received. The new treatment has changed the appearance of the Statement of Financial Position where previously the deferred capital revenue was shown as a deduction from tangible capital assets.
- In 2012-2013, the Province began to record a liability, and an expense, for unused sick leave benefits. Accumulated unused sick leave benefits are not vested, however future utilization of these benefits is considered to be an obligation by accounting standards.
- In 2012-2013, information formerly contained in Volume II was presented in two separate documents. Volume II now contains the Operating Fund Financial Statements and Details of Revenue and Expenses and Volume III contains Financial Statements of Agencies, Boards and Crown Corporations.

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. A change to the Handbook effective April 1, 2013 was; amendments to Section PS 3450 "*Financial Instruments*". Discussion took place on proposed changes to the Handbook including; "Restructuring", "Related Party Transactions" and "Assets, Contingent Assets and Contractual Rights".

Government restructuring occurred in March 2014 and the Office of the Comptroller was transferred from the Treasury Board Secretariat to the Department of Finance, Energy and Municipal Affairs. Debt Management, Pensions & Benefits, Self Insurance & Risk Management and the Corporate Administration for the department no longer fall under the responsibility of the Comptroller.

### **Accounts Payable and File Maintenance**

A large part in the beginning of the year was spent supporting the English and French school boards as they started using Oracle Financials.

The second part of the Maritime Electric interface was implemented in the fiscal year by moving approximately 175 social services electric accounts to the same interface used by the Department of Transportation and Infrastructure Renewal. This interface eliminates the data entry work; allows the Department to focus on trends and abnormalities in the electric bills; and also allows the time spent on data entry to be re-directed to other departmental activities.

An interface was implemented between Peoplesoft Payroll and Oracle. The interface automatically uploads routine invoices into the Payables system for bi-weekly payment. The interface eliminates the need for data entry of approximately 75 invoices bi-weekly.

Work also continued on improving current processes. We implemented new procedures around the cheque pickup and enclosure process to obtain better documentation of who is picking up a cheque and the reason why the need is there.

	2013/2014		2012/2013	
	Number	Amount	Number	Amount
System Vendors new	4,963	n/a	4,491	n/a
System Vendors updated	4,928	n/a	3,364	n/a
Vendor Sites new	9,824	n/a	7,396	n/a
Vendor Sites updated	9,777	n/a	7,583	n/a
Invoices Processed	308,511	\$1,569,152,500	286,507	\$1,531,728,349
Batches Processed	17,004	n/a	16,057	n/a
Procurement Card Transactions	9,881	\$2,005,415	8,500	\$1,603,954
Payments Issued – Cheques	64,923	\$98,545,064	63,747	\$93,087,514
Payments Issued - Electronic	108,922	\$997,667,489	99,895	\$958,226,215
Payments Issued – Internal Clearing	241	\$13,293,496	234	\$10,873,939

### Accounts Receivable

Work was completed in 2013-2014 on the development of a Treasury Board policy for administering accounts receivable. The policy was approved by Treasury Board in September 2013 to come into effect on April 1, 2014. As a result of the policy, and subsequent Accounting Directive on accounts receivable, the Office of the Comptroller will play a major role in the management of accounts receivable and the collection of past due accounts.

Staff is kept busy overseeing and reconciling revenues being recorded daily in FIS via interfaces from a number of other information systems. The two main interfaces are from SWAT, the system used to record the financial activities of the eight Access PEI sites and e-Services, the Province's on-line service provided through its website.

### Procurement Services

The section processes purchase orders through the Oracle Financial System, on behalf of government departments. There was a slight increase in the volume, but an increase in the dollar value of purchase orders created. A total of 12,792 purchase orders were created, with a dollar value of \$26,207,504.

There were 253 Tenders and RFPs issued for the year, with a combined dollar value of \$40,740,231. The section remains active in assisting and advising departments with their tendering requirements, while ensuring the *Public Purchasing Act* and Trade Agreements are followed.

The Government Pcard program continues to have significant volume, \$2,005,415. 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 and advice on procurement as it related to domestic and international trade agreements. Several procurement presentations were made to departments and Crown Corporations throughout the year.

Pan-Atlantic Collaborative /Joint Procurement has been identified by the four Atlantic Premiers. Procurement Services is actively working on a Joint Procurement Working Group, with our procurement counterparts in the other provinces to identify opportunities for joint procurement.

	2013/2014		2012/2013	
	Number	Amount	Number	Amount
Purchase Orders Issued	12,792	\$26,207,504	12,845	\$24,145,578
Tenders Processed	233	\$35,876,531	272	\$12,951,106
RFPs Processed	20	\$4,863,700	15	\$12,103,586
Purchase Card Transactions	9,881	\$2,005,415	8,500	\$1,603,954

### **Financial Information System**

With the implementation of the HST on April 1, 2013, a review was completed on all the provincial and territorial taxes configured in the Financial System. Business rules were updated to simulate the tax structure for each province and territory. The tax setup for the Procurement Cards was updated to correspond to the provincial and territorial taxes to calculate the taxes at consumption source.

Continuing support was provided to the school board staff with the first year of operations on the Oracle Financial system. Reconciliation processes were developed and tested and training was provided to the school board staff to carry out these processes in the future.

Implementation support issues were identified and corrected for the on-line payment system interface for Motor Vehicle Registration. Continual monitoring of the interface occurred throughout the year to ensure that the registration payment process was operating successfully.

With the migration of the school boards to the Financial System, and the previous interfaces to Accounts Payable from source systems, separate payment templates were developed and tested to meet the payment requirements of each source system.

Research and system options were considered to develop an interface between the Province's PeopleSoft payroll system to automate the bi-weekly payment of staff deductions in order to increase efficiencies in processing.

Development work was started on the interface and is expected to be completed in the next fiscal year.

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

#### **Debentures**

Two new debentures were issued in 2013/14: the 40 year debenture for January 2053 at 3.60% was re-opened in August 2013 for \$75 million and again in March 2014 for \$125 million. No debentures matured in 2013-2014.

#### **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 2013-2014 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.

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).

### **Master Trust**

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

At the end of 2013-2014, Master Trust assets had a market value of \$2.5 billion.

Summary of Bond Ratings for PEI			
Bond Raters	Short-term Rating	Long-term Rating	Confirmation Date
Moody's	–	Aa2	June 2013
DBRS	R-1 (low)	A (low)	October 2013
S&P	–	A/Stable	October 2013

# Appendix A

## Department of Finance, Energy and Municipal Affairs

### *Expenses by Division*

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>ADMINISTRATION</b>		
<b>General</b>		
Administration	28,561	21,400
Equipment	1,275	1,000
Materials, Supplies & Services	2,186	3,400
Salaries	420,105	406,800
Travel & Training	57,873	66,100
<b>Total Administration</b>	<b>510,000</b>	<b>498,700</b>
<b>ECONOMICS, STATISTICS AND FEDERAL FISCAL RELATIONS</b>		
<b>Economics, Statistics and Federal Fiscal Relations</b>		
Administration	48,042	5,800
Equipment	0	1,700
Materials, Supplies & Services	920	2,800
Professional and Contract Services	104,158	16,200
Salaries	345,401	370,500
Travel & Training	21,456	25,400
Grants	5,294,274	0
	<b>5,814,251</b>	<b>422,400</b>
<b>Total Economics, Statistics and Federal Fiscal Relations</b>	<b>5,814,251</b>	<b>422,400</b>
<b>ENERGY AND MINERALS</b>		
<b>Energy and Minerals</b>		
Administration	1,084	9,100
Equipment	0	4,600
Materials, Supplies and Services	829	5,200
Professional and Contract Services	585	77,000
Salaries	51,135	54,300
Travel and Training	4,492	19,500
	<b>58,125</b>	<b>169,700</b>
<b>Office of Energy Efficiency</b>		
Administration	5,748	12,400
Equipment	240	3,500
Materials, Supplies and Services	40,027	45,900
Professional and Contract Services	0	20,000
Salaries	328,976	337,400
Travel and Training	7,876	13,000



	<b>Actual 2013/2014 \$</b>	<b>Estimate 2013/2014 \$</b>
GRANTS		
Miscellaneous	1,080,719	1,137,100
	<b>1,463,586</b>	<b>1,569,300</b>
<b>Total Energy and Minerals</b>	<b>1,521,711</b>	<b>1,739,000</b>
<b>INFORMATION TECHNOLOGY SHARED SERVICES</b>		
<b>Information Technology Shared Services</b>		
Administration	475,326	517,800
Equipment	567,387	1,277,700
Materials, Supplies & Services	6,162,253	6,421,900
Professional & Contract Services	3,820,124	4,727,900
Salaries	11,086,892	11,477,000
Travel & Training	441,982	466,700
<b>Total Information Technology Shared Services</b>	<b>22,553,964</b>	<b>24,889,000</b>
<b>MUNICIPAL AFFAIRS AND PROVINCIAL PLANNING</b>		
<b>Administration</b>		
Administration	15,550	22,400
Equipment	2,157	3,500
Materials, Supplies & Services	7,742	18,500
Professional & Contract Services	39,725	27,100
Salaries	356,304	330,300
Travel & Training	10,699	13,500
	<b>432,177</b>	<b>415,300</b>
<b>Municipal Affairs</b>		
Professional and Contract Services	5,833	0
Salaries	242,650	218,300
Travel and Training	3,196	8,200
GRANTS		
Federation of P.E.I. Municipalities	95,000	95,000
Municipal Equalization Grants	22,071,200	22,071,300
Municipal Training Support	6,261	6,300
	<b>22,424,140</b>	<b>22,399,100</b>
<b>Provincial Planning</b>		
Salaries	187,386	280,400
Travel and Training	183	4,000
	<b>187,569</b>	<b>284,400</b>
<b>Total Municipal Affairs and Provincial Planning</b>	<b>23,043,886</b>	<b>23,098,800</b>

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>TAXATION AND PROPERTY RECORDS</b>		
<b>Administration</b>		
Administration	36,622	37,200
Debt	244,028	863,900
Materials, Supplies & Services	25,135	33,500
Salaries	292,396	335,300
Travel & Training	6,723	9,500
	<b>604,904</b>	<b>1,279,400</b>
<b>Tax Audit, Collection and Inspection Services</b>		
Salaries	1,185,939	1,404,700
Travel & Training	4,185	11,000
	<b>1,190,124</b>	<b>1,415,700</b>
<b>Tax Administration and Client Services</b>		
Administration	69,688	97,800
Equipment	6,607	7,000
Materials, Supplies & Services	26,538	105,500
Professional & Contract Services	80,486	111,800
Salaries	1,662,115	1,776,200
Travel & Training	7,951	10,000
	<b>1,853,385</b>	<b>2,108,300</b>
<b>Property Assessment Services</b>		
Administration	2,127	0
Materials, Supplies & Services	4,630	4,400
Salaries	1,230,652	1,309,900
Travel & Training	57,936	69,900
	<b>1,295,345</b>	<b>1,384,200</b>
<b>Total Taxation and Property Records</b>	<b>4,943,758</b>	<b>6,187,600</b>

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>TREASURY BOARD SECRETARIAT</b>		
<b>Administration</b>		
Administration	4,748	11,500
Equipment	2,833	1,000
Materials, Supplies & Services	223	2,000
Salaries	341,020	404,200
Travel & Training	3,643	7,500
	<b>352,467</b>	<b>426,200</b>
<b>Treasury Board Operations</b>		
Administration	13,629	17,600
Equipment	365	4,700
Materials, Supplies & Services	2,017	39,600
Professional and Contract Services	0	10,000
Salaries	358,688	308,200
Travel & Training	6,196	5,000
	<b>380,895</b>	<b>385,100</b>
<b>Pensions &amp; Benefits</b>		
Administration	13,996	16,300
Equipment	4,273	7,000
Materials, Supplies & Services	6,714	3,200
Salaries	958,438	917,600
Travel & Training	7,151	10,700
	<b>990,572</b>	<b>954,800</b>
<b>Office of the Comptroller</b>		
Administration	29,948	24,000
Debt	31,147	0
Equipment	2,640	2,800
Materials, Supplies & Services	3,922	3,000
Professional and Contract Services	11,075	49,300
Salaries	834,208	1,030,500
Travel & Training	6,606	8,800
	<b>919,546</b>	<b>1,118,400</b>
<b>Procurement</b>		
Administration	1,896	5,500
Equipment	0	2,900
Materials, Supplies & Services	0	2,200
Salaries	246,776	252,200
Travel & Training	2,943	3,100
	<b>251,615</b>	<b>265,900</b>

	<b>Actual 2013/2014 \$</b>	<b>Estimate 2013/2014 \$</b>
<b>Debt, Investment and Pension Management</b>		
Administration	13,514	18,800
Equipment	1,000	4,000
Materials, Supplies & Services	384	5,300
Professional and Contract Services	96,600	85,800
Salaries	353,984	391,200
Travel & Training	25,480	18,600
	<b>490,962</b>	<b>523,700</b>
<b>Risk Management and Insurance</b>		
Administration	7,239	5,900
Equipment	0	800
Materials, Supplies & Services	991	1,300
Professional and Contract Services	60,000	63,000
Salaries	211,355	280,100
Travel & Training	2,250	5,600
	<b>281,835</b>	<b>356,700</b>
<b>Corporate Administration</b>		
Administration	29,064	49,500
Debt	1,457	1,000
Equipment	120	1,600
Materials, Supplies & Services	338	0
Salaries	4,684,162	5,060,800
Travel & Training	34,860	61,500
	<b>4,750,001</b>	<b>5,174,400</b>
<b>Total Treasury Board Secretariat</b>	<b>8,417,893</b>	<b>9,205,200</b>
<b>TOTAL FINANCE, ENERGY AND MUNICIPAL AFFAIRS</b>	<b>66,805,463</b>	<b>66,040,700</b>

## Appendix B

### Department of Finance, Energy and Municipal Affairs

#### *Other Expenditure Budgetary Responsibilities*

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>General Government</b>		
Miscellaneous General	246,346	265,000
Grants	2,070,537	2,139,000
Government Insurance Program	1,666,176	1,693,500
Contingency Fund and Salary Negotiations	3,601,815	7,231,100
<b>Total General Government</b>	<b>7,584,874</b>	<b>11,328,600</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 2013/2014 \$	Estimate 2013/2014 \$
<b>Council of Atlantic Premiers</b>		
Council of Atlantic Ministers of Education and Training	14,759	15,300
Council of Atlantic Premiers Secretariat	75,244	81,100
Maritime Provinces Higher Education Commission	93,646	87,300
Atlantic Provinces Community College Consortium	4,560	4,700
<b>Total Council of Atlantic Premiers</b>	<b>188,209</b>	<b>188,400</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 2013/2014 \$	Estimate 2013/2014 \$
<b>Interest Charges on Debt</b>		
Debentures	98,391,175	99,696,700
Loans and Treasury Notes	3,588,277	6,310,800
Promissory Notes for Pension Funds	11,416,809	7,341,800
Bank Charges	528,482	0
<b>Total Interest Charges on Debt</b>	<b>113,924,743</b>	<b>113,349,300</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.

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>Employee Benefits</b>		
Medical/Life Benefits	346,635	317,100
Employees' Future Benefits	13,024,834	19,262,000
Government Pension Contribution	63,977,819	26,687,100
Pension Management	479,565	503,900
<b>Total Employee Benefits</b>	<b>77,828,853</b>	<b>46,770,100</b>

# Appendix C

## Department of Finance, Energy and Municipal Affairs

### *Revenue*

	Actual 2013/2014 \$	Estimate 2013/2014 \$
<b>Federal</b>		
Equalization	339,500,000	339,500,000
Canada Health Transfer	129,324,000	128,603,000
Canada Social Transfer	50,590,000	50,801,000
HST Transitional Assistance	39,000,000	14,000,000
Wait Time Funding	1,033,000	1,048,000
Statutory Subsidy	684,541	679,000
<b>Total Federal Revenue</b>	<b>560,131,541</b>	<b>534,631,000</b>
<b>Provincial</b>		
Health Tax on Liquor	17,609,776	18,800,000
Health Tax on Tobacco	31,254,737	33,069,300
Real Property Tax	106,011,901	104,300,000
Revenue Tax	4,690,505	4,381,600
Gasoline Tax	35,107,812	36,987,200
Corporation Capital Tax	5,841,823	4,800,000
Environmental Tax	963,565	900,000
Real Property Transfer Tax	4,483,624	4,100,000
Harmonized Sales Tax	236,407,242	247,000,000
Personal Income Tax	318,324,218	302,152,800
Corporate Income Tax	46,757,246	46,876,600
Registry of Deeds Fees	2,330,147	2,500,000
Private Vehicle Sales	2,991,745	0
Beverage Container	6,922,010	7,017,800
Other	3,030,778	2,464,200
<b>Total Provincial Revenue</b>	<b>822,727,129</b>	<b>815,349,500</b>
<b>Investment Income</b>	<b>7,481,159</b>	<b>7,622,900</b>
<b>Sinking Fund Earnings</b>	<b>8,113,693</b>	<b>8,088,600</b>
<b>Employee Benefits</b>	<b>178,975</b>	<b>178,800</b>
<b>Total Revenue</b>	<b>1,398,632,497</b>	<b>1,365,870,800</b>