



*Department of Finance*

# ANNUAL REPORT

2016-2017



**Prince Edward Island  
Department of Finance**

**Annual Report  
2016-2017**

**Mandate**

*The mandate of the Ministry is to ensure that the financial, information technology and human resources required by Government are available, allocated in accordance with Government priorities, and used in an efficient and accountable way. The Ministry provides administrative, analytical and policy support to Treasury Board.*



# Minister's Message

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The Honourable Antoinette Perry  
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 for the fiscal year ended March 31, 2017.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Allen F. Roach." The signature is written in dark ink on a white background.

Allen F. Roach, *Minister*  
Department of Finance



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# **Operating Principles Adopted by the Staff of the Department of Finance**

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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 facilitates the effective and efficient management of Government's financial, information technology and human resources by:

- fostering a progressive approach to the management and development of human resources;
- overseeing the financial affairs of the Provincial Government;
- providing internal support services to public sector organizations;
- delivering quality information technology services to client departments across government; 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.





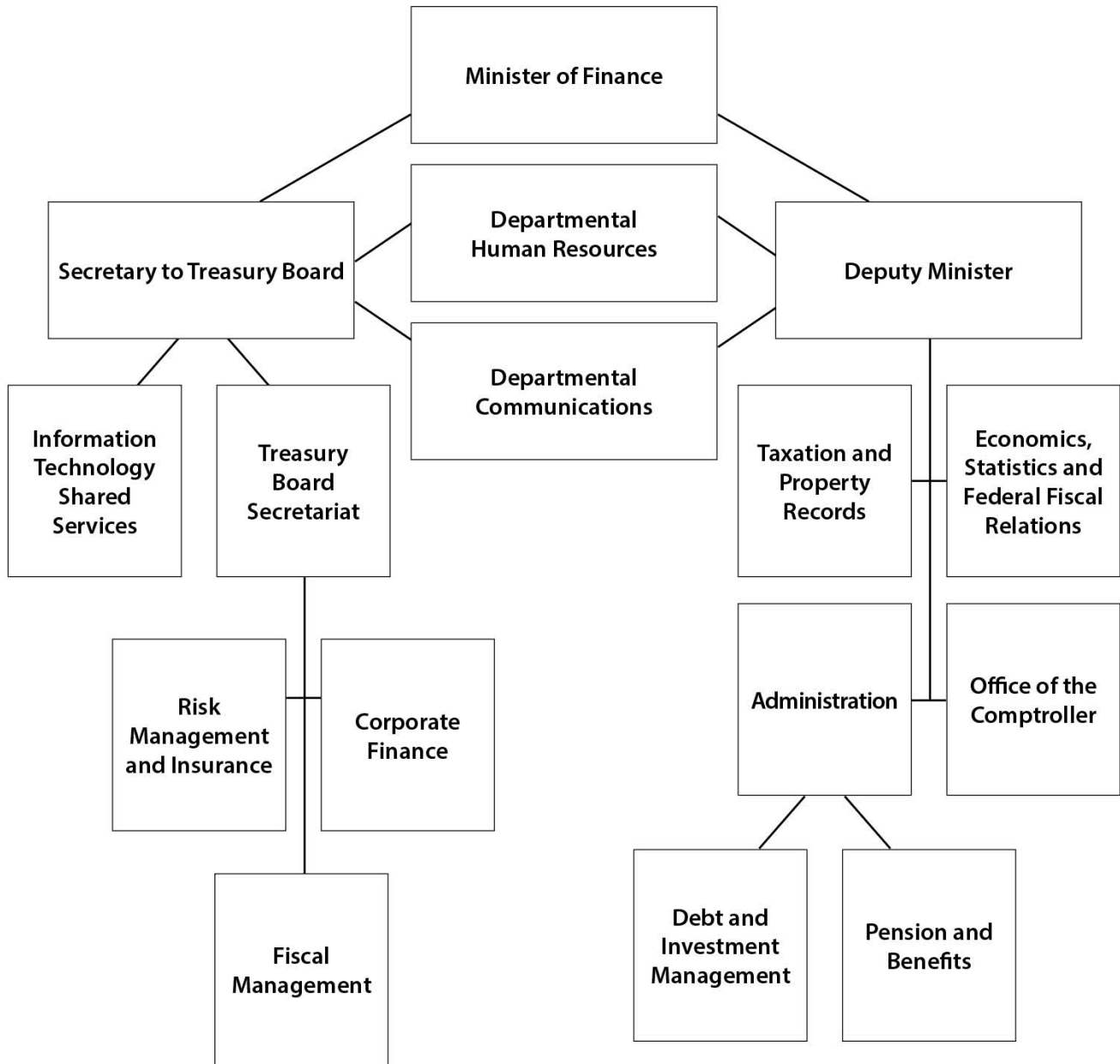
## Legislative Responsibilities Assigned to the Minister of Finance

As of March 31, 2017

Act	Division Responsible
<i>Appropriation Acts (Operating &amp; Capital)</i>	Fiscal Management
<i>Civil Service Act</i> <i>Civil Service Superannuation Act</i> <i>Community Development Equity Tax Credit Act</i> <i>Condominium Act</i>	PEI Public Service Commission Pensions and Benefits Economics, Statistics & Federal Fiscal Relations Taxation and Property Records
<i>Deposit Receipt (Winding-up) Act</i>	Office of the Comptroller
<i>Environment Tax Act</i>	Taxation and Property Records
<i>Financial Administration Act</i> <i>Financial Corporation Capital Tax Act</i>	Office of the Comptroller 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>Liquor Control Act</i> <i>Loan Act(s)</i> <i>Lotteries Commission Act</i>	PEI Liquor Control Commission Debt and Investment Management Deputy Minister's Office
<i>Atlantic Provinces Harness Racing Commission Act</i>	Deputy Minister's Office
<i>Northumberland Strait Crossing Act</i>	Taxation and Property Records
<i>Public Purchasing Act</i> <i>Public Sector Pay Reduction Act</i>	Office of the Comptroller PEI Public Service Commission
<i>Real Property Assessment Act</i> <i>Real Property Tax Act</i> <i>Real Property Transfer Tax Act</i> <i>Registry Act</i> <i>Retail Sales Tax Act</i> <i>Revenue Administration Act</i> <i>Revenue Tax Act</i>	Taxation and Property Records Taxation and Property Records Taxation and Property Records Taxation and Property Records Taxation and Property Records Taxation and Property Records Taxation and Property Records
<i>Statistics Act</i> <i>Supplementary Appropriation Act(s)</i>	Economics, Statistics and Federal Fiscal Relations 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 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.

### **Office of the Comptroller**

The Comptroller's Office is responsible for providing Comptrollership services including operating the Government's corporate accounting system and preparing the Public Accounts. It is also responsible for administering procurement services.

### **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.

### **Administration**

Administration includes the **Debt and Investment Management** section, which is responsible for the Province's day-to-day banking, as well as management of the sinking fund, pension fund, loans and loan guarantees. It also includes the **Pensions and Benefits** section, which has fiscal, operational and policy

responsibilities for employer-sponsored pension programs and retirement payments.

### **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. It includes **Fiscal Management, Corporate Finance and Risk Management and Insurance**.

### **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.

### **Additional Ministry Responsibilities**

The Department of Finance 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 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 Division 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.

### **Bureau du contrôleur**

Le Bureau du contrôleur est responsable d'offrir des services de contrôle, notamment assurer le fonctionnement du système de comptabilité du gouvernement et préparer les comptes publics. Il est également responsable d'administrer les services d'approvisionnement.

### **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.

### **Administration**

L'administration comprend la **Section de la gestion de la dette et des investissements** qui est responsable des services bancaires journaliers de la province ainsi que de la gestion des fonds d'amortissement, du fonds de pension et des garanties de prêt. Elle inclut également la **Section des pensions et des avantages sociaux** qui a des responsabilités d'ordre fiscal, opérationnel et stratégique envers les programmes de pension offerts par l'employeur et les indemnités de retraite.

### **Secrétariat du Conseil du Trésor**

Le Conseil du Trésor donne des avis stratégiques sur la planification financière et sur les dépenses du gouvernement, établit le cadre financier annuel et prépare les prévisions budgétaires en matière de revenus et de dépenses. Cela comprend **la gestion financière, les finances ministérielles ainsi que la gestion des risques et les assurances.**

### **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 ses 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.

### **Responsabilités additionnelles du ministère**

Le ministère des Finances 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.

# Department of Finance

## Financial Summary

	Actual 2016/2017 \$	Estimate 2016/2017 \$
<b>Expenditure by Division*</b>		
Administration	24,697,102	24,815,400
Economics, Statistics and Federal Fiscal Relations	8,549,914	8,628,300
Office of the Comptroller	1,367,167	1,467,300
Taxation and Property Records	4,148,291	3,982,400
Treasury Board Secretariat	32,787,967	34,958,800
<b>Total Department Expenditure</b>	<b>71,550,441</b>	<b>73,852,200</b>
<b>Other Budgetary Responsibilities**</b>		
General Government	9,942,047	10,300,000
Council of Atlantic Premiers	63,302	188,400
Interest Charges on Debt	123,881,045	126,698,100
Employee Benefits	56,890,246	60,138,400
<b>Revenue***</b>		
Federal Sources	594,539,531	587,904,500
Provincial Sources	895,145,181	901,789,800
Investment Income	4,448,198	4,585,800
Sinking Fund Earnings	9,060,731	8,854,800

**\*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.**

# Administration

## Role/Mission

*Administration includes the Debt and Investment Management section, which is responsible for the Province's day-to-day banking, as well as management of the sinking fund, pension fund, loans and loan guarantees. It also includes the Pensions and Benefits section, which has fiscal, operational and policy responsibilities for employer-sponsored pension programs and retirement payments.*

## Overview

### Debt and Investment Management

The Debt and Investment 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 and Investment 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 and Investment Management Section staff. Although the Section does not directly

invest the pension monies as it does for the Sinking Fund, it does act as the manager of external managers. This work includes setting up and monitoring guidelines for investing monies and daily monitoring of assets and cash flows of the managers and the trust itself.

### Loans

The Section is responsible for advancing loans to eligible entities in accordance with the *Financial Administration Act*. As part of the overall administration of the Province's loan portfolio, staff are in regular contact with Crown corporations and other entities to keep them informed of the changing market-based interest rates, to make arrangements for new or amended loans, and to ensure payments are made on existing loans.

Staff are also responsible for developing and monitoring investment revenue amounts that are included in the Budget Estimates, quarterly forecasts and the year-end Public Accounts.

### Loan Guarantees

This section administers loan guarantees provided by the Province to primarily Crown corporations. The *Financial Administration Act* is the enabling



legislation that allows the Province to issue loan guarantees.

The administrative duties include maintaining a record of guarantees issued, monitoring and confirming related balances, follow-up to ensure any required renewals are prepared, and generating a statement to be included in the Province's Public Accounts.

### **Pensions and Benefits**

The Pensions and Benefits section 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 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

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## ***Report Highlights***

### **Debt and Investment Management**

#### **Debentures**

No new debentures were issued in 2016-2017 and there were no maturities.

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

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

#### **Master Trust**

The Master Trust holds the pension assets of civil service employees, teachers and MLAs. It has contracts with nine 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 Joint Investment Advisory Committee and Minister of how the investments are performing). At the end of 2016-2017, Master Trust assets had a market value of \$2.8 billion.

#### **Bond Rating**

The Section is the focal point for all consultations with bond rating firms. During the 2016-2017 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.

<b>Summary of Bond Ratings for PEI</b>			
<b>Bond Raters</b>	<b>Short-term Rating</b>	<b>Long-term Rating</b>	<b>Confirmation Date</b>
Moody's	–	Aa2	August 2016
DBRS	R-1 (low)	A (low)	August 2016
S&P	–	A/Stable	October 2016

### **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 15 participating

employers. There are about 3,700 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.

# 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 at high-level meetings on these subjects, and promotes the interests of Prince Edward Island in public and academic circles.*

## Report Highlights

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

The most prominent aspects of federal/provincial fiscal arrangements are Equalization, Canada Health Transfer, Canada Social Transfer, the Income Tax Collection Agreement, the Comprehensive Integrated Tax Coordination Agreement (HST), 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 the renewed federal transfer programs which came into effect 2014/2015.

Planning for the 2019 renewal of federal transfer programs began in the summer of 2015.

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 Division provided support to the Premier's Forum on the Economy of Prince Edward Island.

The section prepared the *2016 Budget Paper: Background Notes on the Economy* which consists of National and International Review, Provincial Highlights 2015, 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 2016.

The Province's economic situation in 2016/2017 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 work with the Canada Mortgage and Housing Corporation regarding housing market information, and attends 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 assisted in the development of a package of proposed amendments to the *Income Tax Act* to coincide with the one percentage point increase to the provincial Harmonized Sales Tax rate. These amendments included;

- 1) a \$50 increase to the basic, spouse and child amounts of the provincial Low Income Tax Reduction program;
- 2) increasing the Basic Personal Amount to \$8,000; and
- 3) increasing the PEI Sales Tax Credit by 10%.

In addition to these measures the Real Property

Transfer Tax was removed from first-time homebuyers effective October 1, 2016.

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 also represented the province on the Working Group on Carbon Pricing Mechanisms, as outlined in the Vancouver Declaration by Canada's First Ministers.

In preparation for the legalization of Cannabis in mid-2018, the Division analysed Cannabis taxation issues. Staff participated in internal policy analysis as well as participated in the F/P/T Working Group on Cannabis Taxation.

Working in conjunction with the PEI Securities Office, the Division continued the Community Economic Development Investment Business program, creating new economic opportunities in rural PEI. Five Community Economic Development Businesses were registered in 2016/2017.

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 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. The Division worked closely with the Department of Workforce and Advanced Learning on satisfying their requirements for labour market information.

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

The Division's Population Projection Report formed the basis of the Premier's Population Strategy.

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 2016/2017 from most, if not all, government departments, 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. This included the Canada Pension Plan Investment Board (CPPIB).

The Division assisted and advised the Minister in the triennial review of the Canada Pension Plan.

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. Technical support was provided to the Province's representative for Ontario's Technical Advisory Group on Retirement Security.

In June 2016, Canada's Finance Ministers agreed to an enhancement to the CPP. The Division provided policy support and analysis on the proposal.

# Office of the Comptroller

## Role/Mission

*The Office of the Comptroller is responsible for establishing and maintaining financial control over the receipts and disbursements of Government, and for the provision of financial information to departments and agencies. It maintains the Province's financial records and produces the Public Accounts for annual presentation by the Minister of Finance to the Legislature and general public.*

## Overview

### 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.

### 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.

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## ***Report Highlights***

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### **Accounting**

Staff provided guidance and support to FIS users in a number of areas in 2016-2017. Included was the presentation of the Public Service Commission Learning and Development training session - "Financial Management in the PEI Government", maintaining the FIS resource centre on the Province's internal web-site and responding to individual inquiries. Office representatives also participated in the monthly Chief Financial Officers' meetings providing updates and responding to questions from that management group.

An amendment was made to the Financial Administration Act in 2017, changing the submission deadlines for Public Accounts to the Legislative Assembly. During an election year,

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.

the statutory filing deadline is on or before August 31. During other years, the statutory filing deadline is on or before October 31.

Considerable effort is made 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.

Volume 1 of the Public Accounts for the year ended March 31, 2017 was completed and released in October 2017. There were no significant changes in the financial statement presentation for 2016-2017.



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.

There were no Handbook changes implemented during the 2016-2017 year. Discussion took place on proposed changes to the Handbook including; "Related Party Transactions", "Inter-entity Transactions", "Assets, Contingent Assets and Contractual Rights", "Revenue", "Asset Retirement Obligations, Retirement Obligations and Employee Benefits", and "Public Private Partnerships".

### **Financial Systems**

The Oracle database was migrated in November 2016 to new servers which were purchased. This was completed over a weekend with no disruption to the Oracle user base.

The IExpenses module went live at the end of the 16/17 year. All Purchase Cards transaction now flow through this module where a scanned image is uploaded to support the item in the FIS system. Work is continuing on policy which will allow employees to use the module for Out of Province travel and other out of pocket expenses.

Routine patching was also on-going though out the fiscal year. The patching is done to keep the database and application current with our Oracle licensing.

Work started on enhancing the AR Receipt Register report and continues on the Internal Audit of the banking information that is added to a Supplier record.

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

The project to use the IExpenses module, for tracking procurement card transactions and to capture receipt images electronically, was piloted in the fall and was rolled out to all procurement card holders in the last quarter of the fiscal year.

A *Vendor Registration Form* was developed and put into circulation. Use of this form helps to ensure the quality of the information provided when setting up new vendors and helps reduce the risk of duplicate vendors being added to the database. The form also allows vendors to authorize the sharing of their vendor information between government organizations.

In June, we received approval from Treasury Board to implement a three phased approach to convert payments from cheque to electronic. During the year, Phase 1 (which would see all employees paid electronically) was fully implemented. Work was also carried out on Phase 2 (which is a target of 90% electronic payments for vendors). This included sending out letters and a copy of the *Vendor Registration Form* with all outgoing cheque payments.

**2016/2017**

	<b>ORGS</b>	<b>Number</b>	<b>Amount</b>
System Vendors New		4,092	n/a
System Vendors Updated		2,543	n/a
Vendor Sites New	FIS	3,127	n/a
	ISM	1,198	n/a
	LMDA	1,351	n/a
	MEPS	301	n/a
	ESB	317	n/a
	FSB	94	n/a
Vendor Sites Updated	FIS	7,536	n/a
	ISM	3,098	n/a
	LMDA	1,929	n/a
	MEPS	660	n/a
	ESB	995	n/a
	FSB	318	n/a
All Invoices Processed	FIS	108,857	\$1,425,892,000.24
	ISM	135,845	\$57,028,952.19
	LMDA	19,028	\$22,304,029.73
	MEPS	24,647	\$7,314,033.46
	ESB	21,107	\$24,597,257.88
	FSB	2,886	\$2,647,383.88
Batches Process	FIS	13,045	n/a
	ISM	1,246	n/a
	LMDA	78	n/a
	MEPS	260	n/a
	ESB	766	n/a
	FSB	236	n/a
Payments Issued - Cheque	FIS	9,107	\$56,639,115.06
	ISM	30,964	\$20,998,989.34
	LMDA	312	\$1,284,397.72
	MEPS	2,020	\$497,518.41
	ESB	1,557	\$4,836,481.37
	FSB	411	\$560,821.96
Payments Issued - Electronic	FIS	46,356	\$1,380,601,233.57
	ISM	41,645	\$39,909,294.48
	LMDA	14,083	\$21,643,862.71
	MEPS	19,915	\$6,854,666.59
	ESB	7,072	\$19,880,851.55
	FSB	1,509	\$2,150,061.82
Payments Issued – Internal Clearing	FIS	173	\$16,941,678.37

### Accounts Receivable

This section manages the revenue and Accounts Receivable functions for the Province and the bank reconciliation for several bank accounts.

The bank reconciliation process of the Province's Main and LMDA bank accounts were successfully transferred to an automated process in the financial information system.

This project has made the daily reconciliation process more efficient

Accounts receivable staff has been diligently working on implementing Pre-Authorized Debit for A/R customers through the financial information system. This should be rolled out in 17/18.

Accounts Receivable is responsible for the E-services payment interface to the financial information system. E-services are provincial services offered online through the web. In 2016/17, there was an increase of 22% in payment transactions and 15 new services were added (including electrical inspections and food safety course registrations). Work is underway to add three new payment options to the website for 2017/18 to provide more alternatives for customers.

Total write offs in 2016/17 amounted to \$87,807.34 for 63 accounts.

	2016/17		2015/16	
Invoices Issued	1,731	\$16,165,633	1,807	\$13,131,817
Deposit Batches Processed-CAD	9,138	\$1,492,151,144	9,909	\$1,482,127,570
Deposit Batches Processed-USD	477	\$1,868,872	470	\$1,856,318
E-services Transactions Processed	26,808	\$2,325,531	21,986	\$1,882,744

### Procurement Services

The section processes purchase orders through the Oracle Financial System, on behalf of government departments. This year a total of 12,375 purchase orders were created, with a dollar value of \$28,092,271.

There were 223 Tenders and RFPs issued for the year, with a combined dollar value of \$23,787,572. In addition, the section also posted 53 tender ads and notices for the MASH (Municipalities, Academic Institutions, School Boards, and Health Authorities) sector.

The section remains active in assisting and advising departments with their tendering requirements, while maintaining the Public Purchasing Act and Trade Agreements are followed.

The Government PCard program continues to have significant volume of \$2,413,195. This program continues to decrease the low volume purchases being processed. The section continues to see 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 relates to domestic and international trade agreements. Several procurement presentations were made to departments and Crown Corporations throughout the year.

The Government of Prince Edward Island has entered into an agreement with the Public Works and Government Services Canada to allow PEI to access Standing Offers and Supply Arrangements established for use by federal departments.

	2016/2017		2015/2016	
	Number	Amount	Number	Amount
Purchase Orders Issued	12,375	\$28,092,271	13,329	\$34,623,845
Tenders Processed	198	\$21,423,938	260	\$21,434,701
RFPs Processed	25	\$1,363,634	33	\$8,163,899
Purchase Card Transactions	11,863	\$2,413,195	10,265	\$2,152,708

In addition, Pan-Atlantic Collaborative /Joint Procurement continues to be an important initiative. Procurement Services is actively working with other provinces to identify joint procurement projects.

# 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 and consumption tax legislation and ensures the legislation is applied fairly and consistently to the collection of tax revenue.

The Division also develops and maintains land-related information systems.

### Division Structure

Taxation and Property Records is organized into three sections - Administration, Tax Administration and Compliance, and Real Property Services.

### 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.

### Tax Administration and Compliance Services

This section is responsible for:

- Providing 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 collections and activity, performing consumption tax audits and International Fuel Tax (IFTA) and International Registration Plan (IRP) audits.
- 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.

### **Real Property Service**

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.

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## **Report Highlights**

### **Aerial Digital Photography Integration**

Taxation and Property Records dedicated a team of staff with assessment expertise to investigate the integration of aerial digital photography into property assessment processes. With an objective of assessment roll quality assurance, this team viewed over 10,000 properties identifying quality improvement recommendations for approximately 2,500.

### **Management Plan Measures**

The Division maintained management plan commitments from previous years while implementing new measures required as a contribution toward the overall government plan toward deficit elimination. Taxation and Property Records management plan measures for 2016/2017 included:

- Leave vacant - Communications Coordinator and Assistant Accounts Coordinator positions. Identifying essential duties of the positions and assign as additional duties within other positions.
- Reduce consulting services
- Eliminate budget for one casual position.

### **Other Accomplishments**

- Formalized procedures for review of farm assessment program eligibility.
- Facilitated Open Data availability for property assessment sales data.
- Developed and tested electronic processes for receipt of property tax payments from Access PEI.
- Collaborated with the Emergency Measures Office to provide access to aerial digital photography.
- Developed Annual Assessment Cycle procedures document for non-commercial property assessment staff.
- Streamlined annual billing processes for utility billings.
- Monitored tax policy directions for Carbon Tax and legalization of marijuana.
- Digitized three (3) additional years (92 - 94) of land registry document history.
- Participated in development of proposals for return of municipalities to a property tax credit system.
- Reviewed and updated all website reference material in support of the government-wide initiative to implement a new website.

**Comparison of Division Activity  
Over the Three-year Period – 2014-2017**

	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
Tax payments received in offices	263,167	269,927	273,399
Documents registered and interpreted (Registry of Deeds office)	14,549	15,560	17,519
New parcels (property) created	641	658	716
Subdivision plans filed	541	596	651
Registered tax exempt permit applications (farmers and fishermen)	2,338	2,364	2,284
Properties assessed (as of municipal rolls date)	105,597	106,121	106,742
Property assessment referrals (first-level appeal)	300	346	372
Appeals to IRAC (property assessment related)	6	8 (*)	3
Provincial market value assessment (as of municipal rolls date)	\$11.5 billion	\$11.8 billion	\$12.1 billion
Market value of exempt properties (as of municipal rolls date)	\$1.09 billion	\$1.1 billion	\$1.1 billion
New construction reviews and new accounts (property assessed value)	\$181 million	\$170 million	\$145 million
Number of regular audits completed	170	9	8
Regular audit assessments	\$4.0 million	\$199,000	\$6,100
Number of special assessments issued	72	39	70
Special assessments	\$145,000	\$28,000	\$82,700
Tax Revenue	\$210 million	\$216 million	\$231 million
Registry Office Revenue	\$2.3 million	\$2.5 million	\$2.9 million
Beverage Container Deposit Revenue	\$7.2 million	\$7.2 million	\$7.3 million

(\*) correction

# 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 for Risk Management and Insurance and Information Technology Shared Services.*

## **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.

#### ***Risk Management and Insurance***

The Risk Management and Insurance Section is responsible for developing, implementing and maintaining 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 clients 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.

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## ***Report Highlights***

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### **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) 2016. For the Spring sitting, the section provided the 2016 Budget Address, the Operating Estimates of Revenue and Expenditure and the 2016 *Appropriation Act* (Current Expenditures 2016), 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 Coordinating 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.

# 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. It is also responsible for the Document Publishing Centre and PEI Mail.

#### Business Application Services

The Business Application Services Division is responsible for developing new, and maintaining and enhancing current, information technology systems. The divisional staff provide daily support of systems used by Government of PEI staff in the delivery of the full spectrum of services to Islanders, from administrative to mission critical. The Division is also responsible for managing IT projects on behalf of ITSS and clients.

The Division consists of five sections.

**Application Development** team develops new information technology applications on behalf of clients, including the Government of PEI website. The section's staff develop systems written in various programming languages.

**Clinical Information System (CIS)** team supports the largest information technology system in Government that supports the delivery of health care services to Islanders. Staff are involved in managing the day-to-day operations of the system, and in planning for the future of the system.

**Data Services** team provides information technology application infrastructure support - including installing, configuring, tuning, troubleshooting, securing, and modernizing Government of PEI information systems. Enterprise business analytics is also maintained by this unit.

**Project Management Office** plans, executes, manages, and controls information technology projects for client departments, capital projects (including facility build projects) and corporate initiatives. The Project Management Office uses a project management framework based on the Project Management Institute's PMBOK (Project Management Body of Knowledge) with standardized templates to support the management of projects.

**System Support** team coordinates and supports the information systems throughout Government, Health (except CIS), and Education. This includes providing client

account management, maintaining a portfolio of all of Government's IT investments and priorities, and providing day-to-day direction and planning required to ensure that the information technology systems function in an effective and efficient basis.

### **Business Infrastructure Services**

The Business Infrastructure Services Division is responsible for providing leadership in the planning, operation, and support of network communications and the deployment of server and storage, desktops, laptops, tablets and printing assets. This Division is responsible for providing voice and email services, and for providing client and technical support across Government through logging and tracking incidents and requests, telephone support, and onsite technical assistance.

The Business Infrastructure Services Division consists of three sections.

***Infrastructure Operations*** team maintains connectivity and deployment of IT assets for approximately 350 sites across the Province. This section is responsible for maintaining IT infrastructure operations on a daily basis.

***Infrastructure Projects*** team implements new infrastructure components into the IT environment for both system improvement and client innovation projects.

***Service Centre*** team is a 365/24/7 first level support for all client departments, and provides support for the implementation of new technology.

### **Corporate Operations, Finance and Planning**

The Corporate Operations, Finance and Planning Division is responsible for ensuring responsible and accountable investment and financial management for all of ITSS.

### **Enterprise Architecture Services**

Enterprise Architecture Services Division is responsible for providing IT governance support, setting corporate policy, security and standards for IT and IT service delivery, developing the overall information technology architecture of Government and implementing security practice through the Office of Information Protection.

### **Document Publishing Centre and PEI Mail**

The office of the ***Queen's Printer*** publishes the Royal Gazette and the Acts and Regulations of the Province. It is responsible for all official publishing of the Legislative Assembly. Publications include the Journal of the Legislative Assembly, Hansard, various Budget documents, the Speech from the Throne, Public Accounts and reports from the Auditor General.

Queen's Printer publishes all official legislation, annual reports, and various departmental documents as required to be printed by law, or otherwise, at the expense of the Province. In 2016-2017, it completed 3,953 work order requests and 7,179,973 print impressions.

***PEI Mail*** is responsible for the Provincial Government's centralized interoffice courier mail. It provides daily province-wide mail delivery and pick-up to most government offices, sorting and distribution of incoming and outgoing mail to meet courier time-lines. A private sector delivery partner operates under a tendered contract. In 2016-2017 government mail volume was 824,451 mail pieces.

# Report Highlights

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## Agencies, Boards and Commissions

### Finance PEI

- Upgraded financial management software

### Health PEI

#### Implemented

- Sleep software in the Respiratory Department
- Software/hardware/equipment for infusion pumps
- Three new releases of Claims Systems
- New Pharmacare software
- New cardiac monitoring in Critical Care and Pediatrics Units
- New Histology/Anatomical Pathology software
- Print optimization at Prince County Hospital (PCH), Queen Elizabeth Hospital (QEH) for the Cancer Treatment Centre and Diagnostic Imaging Departments
- Video conferencing for the Insite Program at Richmond Center and for the Youth Mental Health Day Treatment
- Integration of synoptic breast data between the Acute Care and Cancer Registry Systems
- Electronic data transfer of purchase orders, acknowledgments, shipping notices, and invoices between Health Financial System and suppliers using GHX Connect Plus

#### Upgraded

- Four hardware upgrades of Radiology Diagnostic equipment
- Two Radiology/Diagnostic software programs
- Dictation software in the Emergency Departments
- Medication management software across the Province
- Refrigeration monitoring
- Database software for Prince and Queens Foundation funds management
- Database software for Client Registry Instrument for testing lab specimens for chemistry/hematology at QEH Lab interface
- Integration engine between cancer and clinical databases

#### Patched

- Three Financial Information Systems

#### Assessed and modified

- Information reports for various community/public program areas

### Innovation PEI

- Upgraded French-English translation software

### Public Service Commission

- Migrated Workers Compensation Board, Innovation PEI, Finance PEI, Island Investment Development Inc. and Bio-Foods entities to enterprise Human Resource software
- Implemented electronic job posting TVs in each of the Annex buildings

## **Departments**

### **Agriculture and Fisheries**

#### *Agriculture Policy and Regulatory Division*

- Built and implemented a new application to track farm registrations, replacing a legacy system

#### *Marine Fisheries and Seafood Services*

- Built and implemented a new fish licensing application to replace a legacy system

#### *Agriculture Insurance Corporation*

- Built a new system replacing a number of legacy systems

### **Communities, Land and Environment**

- Built and implemented a Boiler and Pressure Vessel System
- Built and implemented a Welder Tracking System across PEI to replace a legacy system

### **Economic Development and Tourism**

- Upgraded accounting software used by eight Government organizations
- Implemented a system to replace the legacy software for golf point-of-sale, starter sheet, and on-line booking at all the Provincial golf courses
- Updated the Research and Development database to the latest release for Bio Food Technology Centre
- Upgraded Brookvale point-of-sale server

### **Education, Early Learning and Culture**

#### *Piloted*

- On-line testing of instruction and assessments at several schools
- Bring Your Own Device (BYOD) at Colonel Gray High School

#### *Implemented*

- A new application for English as Second Language (EAL) web application
- Submit and pay functions on applicable web services

#### *Upgraded*

- Fifty-four schools migrated to a new wireless environment, devices, Active Directory, Trevlac database, web filter, IBM SchoolConnect, etc.
- Replaced student performance system web server and improved its processing capabilities
- Library system
- Bussing software for the Public Schools Branch
- Numerous web pages
- Museums and Heritage System
- Word press sites of the English Language School Board into the department for Public Schools Branch (PSB)

#### *Managed the information technology components of Capital build/move projects for:*

- Three Oaks High School
- École La-Belle-Cloche
- Summerside Rotary Library

### **Family and Human Services**

#### *Child and Family Services*

#### *Assisted the Department in*

- Implementing two system rate changes for Financial Assistance Services programs
- System assessments, report modifications, and new reports for Financial Assistance, Disability Support, Child Care Subsidy, and Child Protection
- Generation on the T5-007 for 2016 tax year

#### *Upgraded*

- The Case Management System

## **Finance**

### *Office of the Comptroller*

#### Upgraded

- Financial management database software and moved the application to new servers
- Budget management interface software

### *Information Technology Shared Services*

- Began Phase II of the Web Renewal Project to increase the number of citizen-centric services online
- Worked with the Provincial Archives and Records Office to develop Government's Three Year Records Information Management Strategy

### *Pension and Benefits*

- Completed the conversion of a subset of pensioners to on-premise software

### *Taxation and Property Records*

- Completed the design and specifications for a new Java application build to track multiple taxes

## **Justice and Public Safety**

### *Community and Correctional Services*

- Completed business workflows for Community and Correctional Services

### *Consumer, Labour, and Financial Services*

- Upgraded the on-line Corporate Registry
- Upgraded Vital Statistics interface for death notices with Newfoundland and Labrador

### *Legal and Court Services*

- Implemented a Case Management System for recalculating support orders
- Documented business workflows for Maintenance and Enforcement
- Upgraded Courthouse System infrastructure

### *Legal Aid*

- Rebuilt the support orders recalculation Java application

## **Transportation, Infrastructure and Energy**

### *Land and Environment*

- Upgraded weigh scale software for Island Waste Management Corporation
- Implemented secure file transfer between Natural Resources Canada and Efficiency PEI

### *Highway Maintenance*

- Implemented gate security software at the Brackley Depot

### *Highway Safety*

#### Upgraded

- Several systems that track collisions, constructions, highway labs, international registration, traffic monitoring, motor vehicle inspections, carrier management
- Driver vehicle management
- Driving records management
- Integration interface
- Harmonized Sales Tax increases for tax calculations within five systems

## **Workforce and Advanced Learning**

- Upgraded the case management software to fix numerous bugs and to add several small enhancements – reports, searching functions, etc.

## **Executive Council Office**

- Coordinated the IT requirements where necessary

## **Legislative Assembly**

- Completed printer optimizations

**Appendix A**  
**Department of Finance**  
*Expenses by Division*

	Actual 2016/2017	Estimate 2016/2017
	\$	\$
<b>ADMINISTRATION</b>		
<b>General</b>		
Administration	10,498	18,300
Equipment	-	1,000
Materials, Supplies & Services	7,227	10,100
Salaries	379,895	379,600
Travel & Training	49,626	56,200
	<b>447,246</b>	<b>465,200</b>
<b>Debt and Investment Management</b>		
Administration	5,286	6,100
Equipment	-	4,000
Materials, Supplies & Services	4,675	13,300
Professional Services	107,500	102,000
Salaries	413,325	425,300
Travel & Training	6,168	15,600
	<b>536,954</b>	<b>566,300</b>
<b>Pensions and Benefits</b>		
Administration	13,038	18,500
Equipment	778	5,100
Materials, Supplies & Services	9,146	7,600
Salaries	1,156,511	1,226,000
Travel & Training	18,613	10,700
	<b>1,198,086</b>	<b>1,267,900</b>
<b>Municipal Grants</b>		
Municipal Grants	<b>22,514,816</b>	<b>22,516,000</b>
<b>Total Administration</b>	<b>24,697,102</b>	<b>24,815,400</b>

Actual	Estimate
2016/2017	2016/2017
\$	\$

### ECONOMICS, STATISTICS AND FEDERAL FISCAL RELATIONS

#### Economics, Statistics and Federal Fiscal Relations

Administration	107,531	110,000
Equipment	151	1,700
Materials, Supplies & Services	1,890	2,900
Professional Services	63,059	22,500
Salaries	383,597	451,200
Travel & Training	22,355	17,000
Grants	7,971,331	8,023,000

<b>Total Economics, Statistics and Federal Fiscal Relations</b>	<b>8,549,914</b>	<b>8,628,300</b>
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### OFFICE OF THE COMPTROLLER

#### Comptroller/Accounting

Administration	19,768	24,500
Equipment	396	2,800
Materials, Supplies & Services	3,504	4,100
Professional Services	9,288	25,600
Salaries	1,061,059	1,113,200
Travel & Training	4,472	10,300
	<b>1,098,517</b>	<b>1,180,500</b>

#### Procurement

Administration	2,279	5,500
Equipment	820	2,900
Materials, Supplies & Services	1,891	3,200
Salaries	263,498	272,100
Travel & Training	162	3,100
	<b>268,650</b>	<b>286,800</b>

#### Total Office of the Comptroller

	<b>1,367,167</b>	<b>1,467,300</b>
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### TAXATION AND PROPERTY RECORDS

#### Taxation and Property Records

Administration	86,267	117,200
Debt	627,898	200,000
Equipment	10,333	6,000
Materials, Supplies & Services	53,438	116,300
Professional Services	39,361	110,000
Salaries	3,257,004	3,336,400
Travel & Training	73,990	96,500

#### Total Taxation and Property Records

	<b>4,148,291</b>	<b>3,982,400</b>
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<b>Actual</b>	<b>Estimate</b>
<b>2016/2017</b>	<b>2016/2017</b>
\$	\$

## TREASURY BOARD SECRETARIAT

### **Administration**

Administration	6,846	7,600
Equipment	-	1,000
Materials, Supplies & Services	379	2,000
Salaries	337,866	408,400
Travel & Training	3,392	7,500
	<b>348,483</b>	<b>426,500</b>

### **Fiscal Management**

Administration	8,571	15,500
Equipment	-	4,700
Materials, Supplies & Services	246	26,700
Professional Services	-	10,000
Salaries	321,231	321,900
Travel & Training	1,561	5,000
	<b>331,609</b>	<b>383,800</b>

### **Risk Management and Insurance**

Administration	-	5,600
Equipment	-	800
Materials, Supplies & Services	-	1,600
Professional Services	-	63,000
Salaries	-	198,700
Travel & Training	-	5,600
	<b>-</b>	<b>275,300</b>

### **Corporate Finance**

Administration	30,161	53,800
Equipment	-	1,000
Materials, Supplies & Services	2,489	900
Salaries	4,450,672	4,991,900
Travel & Training	11,393	70,400
	<b>4,494,715</b>	<b>5,118,000</b>

### **Information Technology Shared Services**

Administration	519,021	526,100
Equipment	194,720	306,900
Material, Supplies and Services	7,811,467	7,945,100
Professional Services	3,503,685	3,728,600
Salaries	13,774,055	14,413,100
Travel and Training	344,362	355,200
	<b>26,147,310</b>	<b>27,275,000</b>

	<b>Actual</b> <b>2016/2017</b> \$	<b>Estimate</b> <b>2016/2017</b> \$
<b>Document Publishing Centre</b>		
Administration	669,194	691,500
Equipment	594	5,000
Materials, Supplies & Services	309,294	292,700
Salaries	483,430	489,800
Travel & Training	3,338	1,200
	<u><b>1,465,850</b></u>	<u><b>1,480,200</b></u>
 <b>Total Treasury Board Secretariat</b>	 <u><b>32,787,967</b></u>	 <u><b>34,958,800</b></u>
 <b>TOTAL FINANCE</b>	 <u><u><b>71,550,441</b></u></u>	 <u><u><b>73,852,200</b></u></u>

## Appendix B

### Department of Finance

#### *Other Expenditure Budgetary Responsibilities*

	Actual 2016/2017 \$	Estimate 2016/2017 \$
<b>General Government</b>		
Miscellaneous General	134,512	250,000
Grants	1,665,868	2,211,300
Government Insurance Program	1,790,121	1,818,300
Contingency Fund and Salary Negotiations	6,351,546	6,020,400
<b>Total General Government</b>	<b>9,942,047</b>	<b>10,300,000</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 2016/2017 \$	Estimate 2016/2017 \$
<b>Council of Atlantic Premiers</b>		
Council of Atlantic Ministers of Education and Training	-	15,300
Council of Atlantic Premiers Secretariat	63,302	63,500
Maritime Provinces Higher Education Commission	-	105,100
Atlantic Provinces Community College Consortium	-	4,500
<b>Total Council of Atlantic Premiers</b>	<b>63,302</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.

	<b>Actual</b>	<b>Estimate</b>
	<b>2016/2017</b>	<b>2016/2017</b>
	<b>\$</b>	<b>\$</b>
<b>Interest Charges on Debt</b>		
Debentures	101,589,852	101,457,200
Loans and Treasury Notes	1,325,667	4,130,000
Promissory Notes for Pension Funds	20,425,875	20,425,900
Bank Charges	539,651	685,000
<b>Total Interest Charges on Debt</b>	<b>123,881,045</b>	<b>126,698,100</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.

	<b>Actual</b>	<b>Estimate</b>
	<b>2016/2017</b>	<b>2016/2017</b>
	<b>\$</b>	<b>\$</b>
<b>Employee Benefits</b>		
Medical/Life Benefits	307,844	298,000
Employees' Future Benefits	21,945,400	23,235,000
Government Pension Contribution	34,264,312	36,079,800
Pension Management	372,690	525,600
<b>Total Employee Benefits</b>	<b>56,890,246</b>	<b>60,138,400</b>

# Appendix C

## Department of Finance

### *Revenue*

	<b>Actual</b>	<b>Estimate</b>
	<b>2016/2017</b>	<b>2016/2017</b>
	<b>\$</b>	<b>\$</b>
<b>Federal</b>		
Equalization	380,101,000	380,100,000
Canada Health Transfer	148,597,000	147,226,000
Canada Social Transfer	54,993,000	54,486,000
Infrastructure Program	9,012,711	5,000,000
Statutory Subsidy	684,541	684,500
Other	1,151,279	408,000
<b>Total Federal Revenue</b>	<b>594,539,531</b>	<b>587,904,500</b>
<b>Provincial</b>		
Health Tax on Liquor	19,151,917	18,640,000
Health Tax on Tobacco	32,662,084	31,850,000
Real Property Tax	114,639,689	114,208,000
Revenue Tax	(62,241)	-
Gasoline Tax	37,359,159	36,700,000
Corporation Capital Tax	7,135,353	5,600,000
Environmental Tax	1,150,347	1,000,000
Real Property Transfer Tax	5,961,960	4,300,000
Harmonized Sales Tax	230,798,511	265,160,000
Personal Income Tax	349,906,090	346,457,500
Corporate Income Tax	79,937,581	62,280,000
Registry of Deeds Fees	2,931,100	2,400,000
Private Vehicle Sales	4,296,225	4,000,000
Beverage Container	6,591,376	6,280,000
Other	2,686,030	2,914,300
<b>Total Provincial Revenue</b>	<b>895,145,181</b>	<b>901,789,800</b>
<b>Investment Income</b>	<b>4,448,198</b>	<b>4,585,800</b>
<b>Sinking Fund Earnings</b>	<b>9,060,731</b>	<b>8,854,800</b>
<b>Total Revenue</b>	<b>1,503,193,641</b>	<b>1,503,134,900</b>