

# Treasury

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## Business Plan 1998-99 to 2000-01

### Accountability Statement

*This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.*

*The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.*



Stockwell Day  
Provincial Treasurer  
January 28, 1998

### The Province of Alberta's Vision

A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.

### Treasury's Mission

To provide excellence in financial management, services and advice to achieve a healthy and sustainable financial condition for the province with the lowest possible taxes for Albertans.

## Treasury's Values and Principles

- ◆ Foster and promote respect for clients and co-workers.
- ◆ Develop a professional working environment that encourages objectivity, integrity and equality.
- ◆ Enhance the quality of work by seeking and using the input of staff, clients and interested parties.
- ◆ Develop excellence through teamwork and partnering.
- ◆ Promote innovation, resourcefulness and efficiency in producing results.

## Treasury's Core Businesses

1. Provide analysis and recommendations to the Provincial Treasurer and Treasury Board.
2. Maintain a framework that fosters government accountability.
3. Administer and collect tax revenue.
4. Manage the province's financial assets and liabilities.
5. Foster a fair and efficient financial marketplace.
6. Provide financial services through Alberta Treasury Branches, Alberta Municipal Financing Corporation, and Alberta Pensions Administration Corporation.

## Treasury Goals for 1998-2001

1. A healthy and sustainable financial position.
2. An accountable government.
3. A fair, competitive, and simple provincial tax system managed efficiently and effectively.
4. Investment returns maximized and borrowing costs minimized subject to acceptable risk.
5. An efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.
6. Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation, and Alberta Pensions Administration Corporation.

## Goals, Strategies and Outputs, Outcomes, and Performance Measures

In support of the goals 1 to 6, following are the:

- ◆ strategies (how we are going to go about achieving the goals),
- ◆ outcomes (the expected results), and
- ◆ performance measures (how we will know if we have achieved the goals and what the target expectations are).

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**Note:** The Treasury Ministry's Goals, Strategies and Outputs, Outcomes, and Performance Measures include: Alberta Treasury Branches, Alberta Pensions Administration Corporation, Alberta Insurance Council, Alberta Securities Commission, Credit Union Deposit Guarantee Corporation, Alberta Municipal Financing Corporation, Alberta Government Telephones Commission, N.A. Properties (1994) Ltd., Alberta Intermodal Services Ltd., Chembiomed Ltd., Gainers Inc., and Alberta Heritage Savings Trust Fund. Additional details for these organizations are contained in the supplementary information to the Ministry Plan.

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## Goal 1: A healthy and sustainable financial position.

Related Core Government Measures: Net Debt, Provincial Credit Rating, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> <li>◆ Pay down the province's net debt in accordance with the Balanced Budget and Debt Retirement Act and develop a plan to pay down the debt.</li> <li>◆ Advise and support the Provincial Treasurer and Treasury Board on business planning, economic and fiscal policies and prudent forecasts of fiscal and economic conditions.</li> <li>◆ Coordinate an overall government business plan, including key government-wide performance measures.</li> <li>◆ Develop common economic and financial assumptions for business planning across government.</li> <li>◆ Monitor achievement of business and fiscal plans/goals.</li> <li>◆ Establish standards, policies and guidelines for overall government that facilitate sound financial administration within ministries, reduce overlap and duplication and simplify, reduce or eliminate regulation.</li> <li>◆ Keep refining business planning processes and reporting.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The province's finances are in order and the debt burden for Albertans is reduced.</li> <li>◆ Ministry business plans and related performance measures congruent with and linked to the overall government business plan and government performance measures.</li> <li>◆ The government fiscal plan integrated with the business plan.</li> <li>◆ Meaningful information about the government's finances.</li> <li>◆ Financial plans, policies and laws to ensure Alberta's finances are well managed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Net debt; target: \$0/person.</b></li> <li>◆ Alberta's credit rating; target: best in Canada.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Develop and present Alberta's position on federal-provincial fiscal arrangements to the federal government, including working with other provinces and issuing joint provincial statements requesting equal treatment.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Alberta treated equally.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Alberta per capita cash Canada Health and Social Transfer (CHST) from the federal government; target: transfer equal to other provinces.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Facilitate the move of the Local Authorities and the Universities Academic Pension Plans toward non-statutory status.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accountability for the pension plans is aligned with plan stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Pension Plan Board resolutions for autonomy are implemented.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Control the cost of risk and increase accountability of departments and agencies for protecting public assets from accidental loss.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Public assets protected from risk of significant accidental loss.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Condition of the Risk Management Fund; target: fund assets and liabilities balance.</li> <li>◆ Satisfaction of ministries with services provided; target: 4 out of 5 satisfied or very satisfied.</li> </ul>

\* key performance measure appears in bold

## Goal 2: An accountable government.

### Related Core Government Measures: Provincial Credit Rating, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets
<ul style="list-style-type: none"> <li>◆ Provide reliable, relevant, understandable and comparable information about the government's:               <ul style="list-style-type: none"> <li>- plans and goals</li> <li>- strategies to implement plans</li> <li>- performance measures</li> <li>- audited actual results achieved compared to plans, and;</li> <li>- overall financial picture.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Public understanding of the government's performance and financial position.</li> <li>◆ Communication of clear, understandable and reliable information to the public so it may judge government performance and handling of government finances.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of Albertans that the government's financial and performance report is complete and accurate; target: 4 out of 5 Albertans satisfied or very satisfied.</li> <li>◆ Portion of Albertans aware of government's financial performance in the past year; target: 4 out of 5 Albertans aware.</li> <li>◆ Portion of Albertans aware of the government's budget situation in the coming year; target: 4 out of 5 Albertans aware.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Facilitate increased ministry responsibility and accountability for financial management, including the reporting of results and business outcomes at the ministry level.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Ministries responsible and accountable for their internal financial management.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of the Auditor General with the government's accountability system; target: Auditor General satisfied or very satisfied.</li> <li>◆ Satisfaction of deputy heads with the government's accountability system; target: 4 out of 5 satisfied or very satisfied.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Facilitate costing of services provided and allocate significant costs to outputs.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Ministries understand and account for the cost of all services they provide.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Significant costs associated with ministries are reported in the ministries' consolidated financial statements; target: a positive observation from the Auditor General that significant costs are attributed fully to ministries.</li> </ul>

## Goal 3: A fair, competitive, and simple provincial tax system managed efficiently and effectively.

### Related Core Government Measures: Taxation Load, Job Growth, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> <li>◆ Ensure that Alberta's personal income tax system promotes self-reliance and wealth creation, and is fair to Albertans.</li> </ul>	<ul style="list-style-type: none"> <li>◆ A tax system that encourages Albertans to work and that supports families.</li> <li>◆ High employment participation rates.</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Provincial tax load for a family of 4; target: lowest in Canada.</b></li> <li>◆ Personal income tax rates; target: lowest in Canada.</li> <li>◆ Employment participation rate; target: highest in Canada.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Maintain an effective and affordable tax system through protection of the tax base.</li> </ul>	<ul style="list-style-type: none"> <li>◆ High rate of voluntary compliance with tax programs.</li> <li>◆ Fair and consistent treatment of taxpayers.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Voluntary compliance rate; target: 97%.</li> <li>◆ Satisfaction of taxpayers with tax system; target: 80%.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Enhance the competitiveness of Alberta's corporate tax systems (including income, capital, insurance, commodity, and property taxes) with those of other jurisdictions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ A competitive corporate tax regime that attracts business and investment.</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Provincial tax load on businesses; target: the lowest in Canada.</b></li> <li>◆ Percent growth in business registrations; target: 3%.</li> <li>◆ Job growth; target: 155,000 new jobs from December, 1996 to December, 2000.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Reduce the cost of tax compliance to taxpayers by simplifying legislation and systems.</li> <li>◆ Reduce the cost of tax administration to government by expanding the use of electronic commerce and by co-operating with other jurisdictions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Low costs of tax administration for both taxpayers and government.</li> <li>◆ Increased harmony of tax programs between governments and reduced overlap and duplication.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction with tax administration; target: 85%.</li> <li>◆ Satisfaction with compliance costs; target: 80%.</li> <li>◆ Costs to process tax returns; target: reduction from 1997-98.</li> </ul>

\* key performance measures appear in bold

## Goal 4: Investment returns maximized and borrowing costs minimized subject to acceptable risk.

Related Core Government Measures: Net Debt, Taxation Load, Provincial Credit Rating

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> <li>◆ Analyze new investment, liability and other financial products and use those that contribute to investment or liability objectives.</li> <li>◆ Increase strategic and research capabilities in support of investment and liability objectives.</li> <li>◆ Continue to implement restructured Alberta Heritage Savings Trust Fund (Heritage Fund).</li> <li>◆ Continue to use a mix of direct investment and external investment management firms.</li> <li>◆ Continue to improve the quality of investment performance measurement and client reporting.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Efficient and prudent management of the province's financial assets and liabilities.</li> <li>◆ Efficient and prudent management of assets of other funds invested by the Provincial Treasurer.</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Annualized rates of return on investments based on market values. Following is an example of the application to the Heritage Fund:</b> <ul style="list-style-type: none"> <li>- Return on the Heritage Fund Transition Portfolio; target: return at least equal to the costs of our debt portfolio.</li> <li>- Returns on the Heritage Fund Endowment Portfolio; target: return at least equal to the return on a benchmark portfolio.</li> </ul> </li> <li>◆ <b>Total cost of debt, including interest costs and the change in market value of debt outstanding (similar measure to the market rate of return on investments):</b> <ul style="list-style-type: none"> <li>- Target: costs should be equal to or less than the cost of a benchmark debt portfolio.</li> </ul> </li> <li>◆ Market Spreads - Alberta's cost of borrowing, compared to the federal government's cost; target: the lowest spread of any province.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Improve the information provided to investors in Province of Alberta debt issues and to credit rating agencies, in cost effective ways.</li> <li>◆ Concentrate cash and make disbursements via efficient systems and banking arrangements using the latest technological developments in electronic commerce.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Investors and credit rating agencies understand the province's financial position.</li> <li>◆ All cash balances invested.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of investors and credit rating agency personnel; target: 4 out of 5 satisfied or very satisfied.</li> <li>◆ Rate of return on Consolidated Cash Investment Trust Fund; target: return equal to or greater than ScotiaMcLeod 91 Day Treasury Bill Index.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Sell and wind-up non-core financial assets including those of the AGT Commission and N.A. Properties.</li> <li>◆ Manage contingent liabilities under loan guarantees.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Increasing focus on market investment activity.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Dollars received; target: better than book value.</li> <li>◆ Assets remaining to be disposed of; target: zero.</li> <li>◆ Amount of contingent liabilities under administration; target: zero, excluding ongoing programs.</li> </ul>

\* key performance measures appear in bold

## Goal 5: An efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.

Related Core Government Measures: GDP and Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> <li>◆ Reduce, simplify and harmonize regulation with other jurisdictions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ An efficient and fair regulatory environment for financial institutions.</li> <li>◆ An efficient capital market in Alberta and confidence in that market.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of financial institutions with the efficiency and fairness of regulatory environment; target: 4 out of 5 satisfied or very satisfied.</li> <li>◆ <b>Alberta's market share of investment capital maintained.</b></li> </ul>
<ul style="list-style-type: none"> <li>◆ Monitor Alberta incorporated credit unions, insurers and loan and trust corporations and enforce the legislation.</li> <li>◆ Rely on federal and other provincial governments for the solvency regulation of financial institutions incorporated in their jurisdictions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Sound business practices by provincially incorporated financial institutions.</li> <li>◆ Compliance with legislation by provincially incorporated financial institutions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Percentage of Alberta credit unions that have the legislated minimum equity requirements (greater of 4% of total assets and 8% of risk weighted assets); target: 100% by 1999.</li> <li>◆ Percentage of recommendations relating to companies, compliance with legislation and sound business practices that are complied with; target: 100%.</li> <li>◆ Equity in the Credit Union Deposit Guarantee Corporation's Deposit Guarantee Fund as a percentage of credit union assets; target: 1%.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Monitor evolution of electronic financial products and other market innovations; update legislation/regulation.</li> <li>◆ Work with industry and consumer groups to implement privacy code for personal information stored by financial institutions.</li> <li>◆ Assist consumers with complaints about financial institutions.</li> </ul>	<ul style="list-style-type: none"> <li>◆ A competitive financial services marketplace where consumers have the right to choose.</li> <li>◆ An unbiased mechanism for consumers to seek redress.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of consumers and insurance intermediaries with the quality of assistance, advice, and information provided; target: 4 out of 5 satisfied or very satisfied.</li> </ul>

\* key performance measure appears in bold

## Goal 6: Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation and Alberta Pensions Administration Corporation.

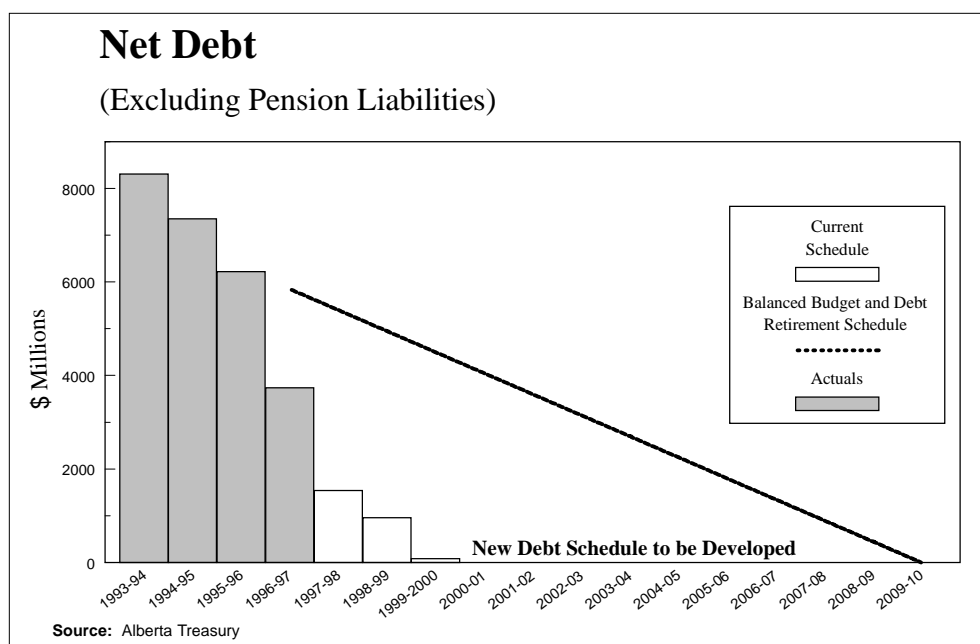
Related Core Government Measures: GDP and Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets
<ul style="list-style-type: none"> <li>◆ Provide financial services to all Albertans on sound banking and business principles with a focus on independent business, personal and agricultural lending through Alberta Treasury Branches.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Profitable operations providing personalized financial services to Albertans.</li> <li>◆ Financial services available in all areas of the province.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Achieve, over time, productivity, efficiency and loan loss ratios comparable to the major banks: elimination of the accumulated deficit by March 31, 2000.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Provide local authorities with funding for capital projects at the lowest possible cost, consistent with the viability of the Alberta Municipal Financing Corporation (AMFC).</li> </ul>	<ul style="list-style-type: none"> <li>◆ Timely access for local authorities to finance at or near the province's cost of borrowing.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Market spreads - Alberta local authorities cost of borrowing from AMFC compared to the federal government's cost of borrowing; target: Alberta local authorities' spread over the federal government's cost is lowest among Canadian municipalities.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Provide quality pension administration services to Alberta's public sector pension employees and employers and to the boards of those plans through Alberta Pensions Administration Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accurate and timely payment of pension benefits.</li> <li>◆ Pension related information provided to employees, employers and boards.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Satisfaction of client employees and employers with products and services; target: 4 out of 5 satisfied or very satisfied.</li> <li>◆ Costs per pension plan member comparable to other public sector pension plans; target: lowest cost per member.</li> </ul>

## Key Performance Measures

### Net Debt

The Net Debt measure compares the net debt (referred to as net financial debt in the Consolidated Financial Statements) of the province against the targets set out under the Balanced Budget and Debt Retirement Act and the province's annual budget.



## Total Cost of Debt

This measures the total cost of carrying the debt portfolio, including cash interest costs and the change in the market value of debt outstanding.

Commencing in 1997-98, the cost of debt will be compared to a benchmark liability portfolio.

### Total Cost of Debt (Year Ended March 31, 1997)

	1 Year (%)	2 Years (%)
<b>Canadian Dollar Portfolio</b>		
Short-term and floating rate debt	3.82	5.58
Medium and long-term debt	10.76	12.29
<b>Total</b>	<b>8.05</b>	<b>9.23</b>
<b>US Dollar Portfolio</b>		
Short-term and floating rate debt	3.94	5.24
Medium and long-term debt	4.10	7.08
<b>Total</b>	<b>4.00</b>	<b>6.59</b>
<b>Total Portfolio in Canadian Dollars</b>	<b>7.25</b>	<b>8.14</b>

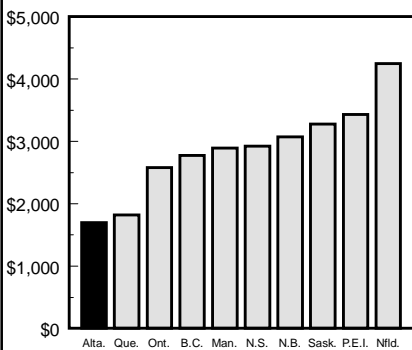
## Taxation Load on a Family of Four

This measure compares typical taxes payable, including provincial income, sales, payroll, fuel and tobacco taxes, and health care insurance premiums payable by a family with two children earning \$30,000, \$55,000 and \$100,000.

### Selected Taxes Payable as of January 20, 1998

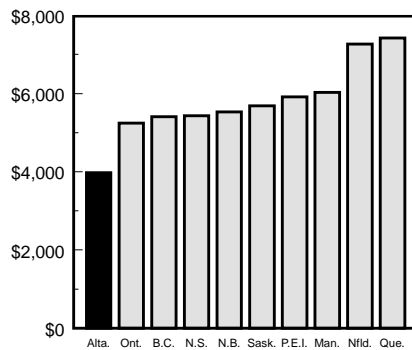
#### Family Earning \$30,000

Taxes and Health Care Insurance Premiums  
(One-income family with two children)



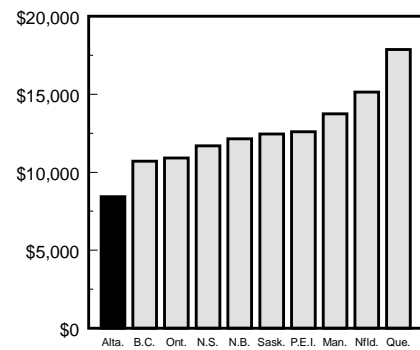
#### Family Earning \$55,000

Taxes and Health Care Insurance Premiums  
(Two-income family with two children)



#### Family Earning \$100,000

Taxes and Health Care Insurance Premiums  
(Two-income family with two children)

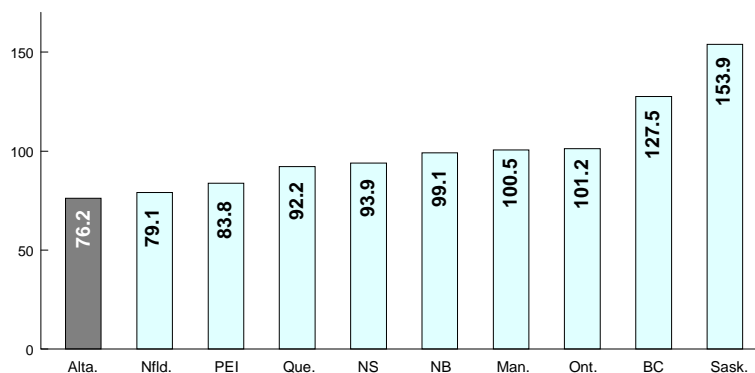


Source: Alberta Treasury

## Taxation Load on Businesses

This measure compares provincial tax load on businesses and includes business income taxes, capital taxes, and insurance premium revenues.

### Provincial Tax Load on Businesses 1997-98 (% of Canadian Average)



Source: Federal Department of Finance, Second Estimate for 1997-98, October 1997



## Investment Capital Raised in Alberta

This measure provides information on the value of investment capital raised in Alberta compared to the total value of investment capital raised in Canada.

### Investment Capital Raised in Alberta

	1994-95	1995-96	1996-97
Alberta - capital raised	\$5.4 billion	\$4.8 billion	\$7.3 billion
Canada - capital raised	\$66.9 billion	\$48.4 billion	\$86.5 billion
Percent of capital raised in Alberta	8.1%	9.9%	8.4%

## Alberta Heritage Savings Trust Fund - Transition Portfolio<sup>1</sup>

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the cost of the province's Canadian dollar debt portfolio, measured on the same basis.

### Transition Portfolio Performance (for the three month period ending March 31, 1997)

	Market Return (%)	Province's Debt Portfolio** Market Value Cost (%)
Short-term Fixed Income Securities	0.69	N/A
Long-term Fixed Income Securities	0.02	N/A
Policy Investments*	<u>1.31</u>	<u>N/A</u>
Total Return	<u>0.46</u>	<u>0.05</u>

\* Includes Alberta provincial corporation debentures, project loans and corporate equities.

\*\* Canadian dollar portion only.

N/A - not applicable.

## Alberta Heritage Savings Trust Fund - Endowment Portfolio<sup>1</sup>

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the return on a hypothetical benchmark portfolio.

### Endowment Portfolio Performance (for the three month period ending March 31, 1997)

	Endowment Portfolio Market Return (%)	Benchmark Portfolio Return*	
		Index Weighting	Market Return (%)
Short-term Fixed Income	0.73	Treasury Bills Index 3%	0.7
Long-term Fixed Income	-0.15	Bond Index 47%	-0.4
Canadian Equities	-0.36	TSE 300 Index 30%	-0.8
U.S. Equities	N/A		
Global Equities	N/A		
Foreign Equities	N/A	Morgan Stanley World Equity Index (excl. Canada) 15%	1.1
Real Estate	<u>N/A</u>	Russell Canadian Property Index 5%	<u>2.6</u>
Total	<u>-0.39</u>	100%	<u>-0.1</u>

\* not annualized

N/A = Quarterly return data not available since these asset classes were not held for the entire quarter. However, the total return of -0.4% for the period includes the performance of these investments from the point they were purchased.

<sup>1</sup>As the new structure for the Heritage Fund was only in place for three months, care must be taken in making conclusions about long term performance from these results.

# Treasury

## Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
<b>REVENUE</b>						
Internal Government Transfers	756,648	855,100	719,700	716,400	613,600	579,900
Income Taxes	4,852,238	4,732,000	5,548,833	5,313,106	5,506,673	5,730,834
Other Taxes	1,040,587	1,017,600	1,092,470	1,107,362	1,136,442	1,172,003
Non-Renewable Resource Revenue	(239,755)	(270,000)	(240,000)	(233,000)	(249,000)	(254,000)
Transfers from Government of Canada	3,931	3,931	3,931	3,931	3,931	3,931
Investment Income	1,732,503	1,538,719	1,729,471	1,480,731	1,407,952	1,333,327
Premiums, Fees and Licences	16,066	9,490	12,097	11,159	11,109	10,879
Net Income from Commercial Operations	(96,542)	23,598	52,361	49,273	67,965	95,893
Other Revenue	26,881	25,672	28,077	33,376	26,818	27,258
<i>Consolidation Adjustments</i>	(859,670)	(876,693)	(774,842)	(751,965)	(639,048)	(588,661)
<b>Consolidated Revenue</b>	<b>7,232,887</b>	<b>7,059,417</b>	<b>8,172,098</b>	<b>7,730,373</b>	<b>7,886,442</b>	<b>8,111,364</b>
<b>EXPENSE</b>						
<b>Program</b>						
Fiscal Planning and Accountability	7,636	7,969	7,860	8,217	8,281	8,571
Liability Management	1,796	1,878	1,819	1,994	2,049	2,079
Tax and Revenue Collection	32,984	27,633	34,717	28,679	29,822	32,295
Investment Management	46,470	55,448	52,636	57,562	62,075	64,276
Heritage Fund Transfer	756,448	854,900	719,500	716,200	613,400	579,700
Banking Arrangements	1,775	1,669	1,623	1,802	1,837	1,875
Regulation of Capital Markets	5,876	6,821	7,235	7,957	8,113	8,469
Regulation of Financial Institutions and Insurance Companies	4,360	18,029	17,749	2,824	2,971	2,836
Government Risk Management and Insurance	10,042	7,933	8,183	6,894	6,969	7,003
Pensions	137,311	161,600	160,721	166,407	172,505	178,576
Financial Assistance to Farmers and Small Businesses	16,183	14,010	11,010	6,500	3,000	1,000
Financing to Local Authorities	545,172	527,743	527,840	511,566	491,787	453,072
Valuation Adjustments and Other Provisions	54,786	32,048	132,735	30,000	25,000	20,000
<i>Consolidation Adjustments</i>	(787,701)	(904,978)	(740,943)	(746,702)	(665,132)	(623,234)
<b>Consolidated Program Expense</b>	<b>833,138</b>	<b>812,703</b>	<b>942,685</b>	<b>799,900</b>	<b>762,677</b>	<b>736,518</b>
<b>Debt Servicing Costs</b>						
Department	1,337,017	1,189,000	1,174,000	1,094,000	1,040,000	1,024,000
<i>Consolidation Adjustments</i>	(17,123)	-	(15,000)	(10,000)	(9,500)	(4,500)
<b>Consolidated Debt Servicing Costs</b>	<b>1,319,894</b>	<b>1,189,000</b>	<b>1,159,000</b>	<b>1,084,000</b>	<b>1,030,500</b>	<b>1,019,500</b>
<b>Consolidated Expense</b>	<b>2,153,032</b>	<b>2,001,703</b>	<b>2,101,685</b>	<b>1,883,900</b>	<b>1,793,177</b>	<b>1,756,018</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>5,079,855</b>	<b>5,057,714</b>	<b>6,070,413</b>	<b>5,846,473</b>	<b>6,093,265</b>	<b>6,355,346</b>