



**CONSOLIDATED OVERALL REPORT OF
THE EFFICIENCY COMMITTEE
APRIL 2019**



FOREWORD FROM THE CHAIRMAN OF THE EFFICIENCY COMMITTEE

**To the Premier of Bermuda and Minister of Finance
The Hon. David Burt JP, MP**

It is with pleasure that I now present this Consolidated report from the Efficiency Committee.

The Efficiency Committee was appointed by The Premier and Minister of Finance on March 7, 2018, under the authority of Section 61(4) of the Bermuda Constitution. The Terms of Reference of this Committee are detailed in Appendix A of this report.

The Committee consisted of the following individuals:

- Hon Wayne Furbert JP, MP – Junior Minister of Finance (Chairman)
- Ms. Cherie-Lynn Whitter – Permanent Secretary of Government Reform
- Ms. Tina Tucker – Director of Budget
- Ms. Ianthia Fox – Senior Management Consultant
- Edward Ball Jr – BPSU Representative
- Glenn Simmons – BIU Representative
- Senator James S Jardine JP
- Richard James
- Karamoko Darrel-Dickens – Government IT Representative

The Committee met 32 times between March 13th, 2018 and March 31, 2019 as shown in Appendix B to this report. The Committee was supported by Dr. Nicola O’Leary and Lisa-Dawn Johnson where they acted as recording Secretary for the Committee. I wish to thank them for all their assistance during the time that the Committee met.

Attendance at the regular meetings was high and members of the Committee participated actively in the matters discussed at the meetings.

The Committee met with a number of Government Departments and individuals as outlined in Appendix C of this report and also prepared and issued three interim reports, which are attached as Appendices D, E and F to this Report.

The Committee were impressed with the candor and keenness shown by the persons with whom they met.

I wish to thank all members of the Committee for their time and commitment to this process.

Hon Wayne Furbert, J.P., M.P

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A. EXECUTIVE SUMMARY

It must be appreciated that reviewing the efficiency of ALL Government Departments in the limited time available to the Efficiency Committee (the “Committee”), was simply not possible. In addition, because of the complexity and size of the various key areas of Government, the Committee has only been able to perform a very limited review of some of the key areas of Government. Indeed, it has only been through face to face meetings with persons from certain areas of Government, that we have been able to determine various inefficiencies and make the recommendations that are contained in this report.

The Committee is of the view that a far more in-depth review of Government processes is necessary in order to determine where any additional inefficiencies may lie within Government. The Committee recommends that a further group be constituted, with assistance from the Management Consulting Section, (the Cabinet Office), within Government, to consider some of the other issues that were identified during our meetings, but which time simply did not allow us to address. The Committee were also of the view that it may be appropriate for Government to consider establishing a permanent committee, consisting of Government employees (and in particular representatives from the Management Consulting Section (the Cabinet Office), of Government, as well as “independent” persons from outside Government, to continuously review the level of efficiency within the Public sector.

Presentations were made to the Committee by a number of Groups and Individuals as outlined in Appendix C. Additionally, where printed presentations were made by any of the Groups, such presentations have been included in Appendix G to this Report.

The resulting recommendations contained in this report represent those agreed to by all members of the Committee.

The first meeting of the Committee was held on March 13, 2018 at which time it was agreed that the Committee would meet on a weekly basis. Committee members were asked to read the Cartac Report which had been prepared in October 2015, in order to familiarize themselves with issues and recommendations contained in that report, specifically pages 50 to 68 which addressed “Improving OTC Effectiveness and Efficiency”. In order to assist members in gaining an overview of revenues and expenditures of the Consolidated Fund, Senator Jardine prepared and presented certain financial information as follows:

- Summary and detailed revenue and expenditure information from Fiscal 2003 to 2019. (See Appendix H of this Report).
- A Salary and Wage comparative analysis by Department Head for 2004, 2009, 2014, 2015, and 2019. (see Appendix I to this Report).

- Staff statistics by Department Head for the years 2001 to 2019. (See Appendix J to this Report).
- An analysis of Grants & Contributions for the years 2004 to 2019. (see Appendix K to this Report).
- An analysis of Professional Services for the years 2010 to 2019. (see Appendix L to this Report).

Members were also asked to review the SAGE Report and familiarize themselves with its content.

During the period March to September, the Committee issued three interim reports namely:

- Solving the Property Stamp Duty Backlog – April 18, 2018
- Office of The Tax Commissioner – May 5, 2018.
- Office of the Registrar of Companies – May 21, 2018

A further Final Report for the period March 2018 to October 2018 was issued in November 2018.

This Consolidated report includes the details contained in the October 2018 Final Report in addition to further recommendations from the Committee for the period November 2018 to March 31, 2019.

Readers of this Consolidated report are asked to refer to the above three interim reports for the detailed information for the period from March 13 to May 31, 2018 as that information, except for the recommendations contained therein, have not been repeated in the subsequent sections of this Consolidated report.

The Chairman was of the view that it was important for the Committee to address those areas where it was understood inefficiencies existed and where he was of the opinion that recommendations for improvement would have the greatest immediate financial impact. Accordingly, the Committee was guided by the Chairman as to which areas should be reviewed by the Committee.

This report has been styled in such a way that the many detailed recommendations are set out under a separate heading (B) which follows this executive summary. Readers are also encouraged to read the three interim reports contained in Appendices D, E, F and X as well as Part C of this Consolidated report, in order to obtain a greater depth of understanding of the reasons for such recommendations.

In all, the Committee has made **93 recommendations** covering a variety of areas of Government.

The most significant areas where immediate changes were considered to be necessary were the Office of the Tax Commissioner and the Office of the Registrar of Companies. The “drawer” containing uncashed cheques amounting to \$ 330,500, (see Appendix V), with one dating back as far as 2006, were of particular concern and highlighted poor management of staff and inadequate internal controls. Of this amount approximately \$50,500 of these cheques have been reissued and deposited by the Government. Further, “Unadjudicated” stamp duty on some 1,590 property conveyancing files, has highlighted a huge backlog of work with the resulting loss in significant amounts of revenue for the Bermuda Government. For example, Appendix W shows that as at October 8, 2018, 318 files dating back to files received as far back as February 2013, have now been adjudicated (between April 28, 2018 and October 8, 2018), and hitherto unknown stamp duty in the amount of \$ 4.74 million has been identified. Further, as at October 8, 2018, \$2.7 million of this outstanding stamp duty has now been billed AND collected. As discussed in our Interim Report of April 18, 2018, (subsequent to our meeting with the Tax Commissioner), we made various recommendations to the Tax Commissioner as to how this backlog could be cleared.

As a result of steps taken by the Tax Commissioner, significant inroads have been made in the adjudication, billing and collection of stamp duty as mentioned above. The Committee would like to point out that the 1590 matters as identified in our April 18, 2018 interim report, include the 318 matters shown in Appendix W. The remaining outstanding matters include approximately 300 First-Time home buyers which will not attract stamp duty. The Office of the Tax Commissioner continues to move forward with the adjudication and finalization of other files. Statistics are in the process of being prepared by the Office of the Tax Commissioner which will breakout the composition of the remaining files to be cleared.

Discussions with personnel from The Office of the Registrar of Companies, revealed that there are a large number of Not Sufficient Funds (“NSF”) cheques within this department. There is also a significant number of old accounts receivable that need to be addressed, by either write off or pursuit for collection.

In particular for both of these areas, lack of staff (properly trained), and poor IT systems, have resulted in an inability of these departments to effectively and efficiently carry out their work. The recommendations section of this report and in particular Appendices D, E, F and X, set out the issues and the possible solutions.

Shortly after our meetings with the various departments some of our recommendations (which had in some instances, already been recognized by staff within these two areas in particular), began to be implemented. Progress is being made as evidenced by the billing and collection of stamp duty amounts on property transactions, but there is still much to do to address the poor situation with respect to the Consolidated Fund’s overall Accounts Receivable position as at March 31, 2017, which contained a Provision for Bad Debts of \$ 125 million or 45% of total Accounts Receivable at that date.

In the opinion of the Committee, management and control over the purchasing of Materials and Supplies and Repairs & Maintenance needs a much more detailed examination than the Committee was able to undertake in the time available. The committee observed a lack of coordination over the buying of materials and supplies where for the two areas they examined, the departments are generally left to purchase certain goods on their own. The committee believes that this is an area where a coordinated collective purchasing approach, could lead to greater efficiencies and cost savings in purchasing. The committee did not have an opportunity to examine the area of Repairs and Maintenance which is another significant area of expenditure in the Consolidated Fund.

Although recommendations were made in our various interim reports with respect to Information Technology, the Committee concluded that it was important to provide an overall summary of its findings and recommendations in the area of IT. These are described in Appendix X to this Report. Appendix X should be read in conjunction with the IT recommendations which are included in the three interim reports as contained in Appendices D, E and F of this report.

The Committee is also of the view that persons should be appointed to review all past reports that touch on “efficiency”. For example, the SAGE Report and any past reports prepared by the Management Consulting Section of Government, should be reviewed and any recommendations from those reports should be carefully considered for implementation. The Committee understands that many useful reports have been prepared in the past (both internal and external) but little may have been done to implement their recommendations.

As mentioned at the beginning of this report, a review of “efficiency” in terms of the entire operation of the Government of Bermuda is a massive undertaking and the Committee has only been able to touch on a few areas where it was perceived some immediate improvements and the realization of funds for the Government, could be effected.

B. RECOMMENDATIONS

OFFICE OF THE TAX COMMISSIONER

Short term recommendations

1. **Staffing needs** - It is recognized that when the work of the Tax Reform Commission has been completed that there may be recommendations for significant changes to Bermuda's Tax Regime. Accordingly, it is not appropriate to be making any long-term recommendations to existing taxes as these taxes may disappear or be revised in a significant manner. However, it is important that cash be generated immediately from the large number and dollar value of existing old accounts receivable balances. It is therefore necessary, as a matter of some urgency, to appropriately staff the OTC, so that this work as well as the work of Compliance Monitoring can be undertaken. Staff must therefore be hired or temporarily transferred from other Government Posts (seconded) as follows:
 - To aid in the review of old accounts receivable and make calls to collect outstanding balances as well as determine appropriate repayment plans where necessary.
 - To assist in the issuance of collection letters and compliance with write off procedures.
 - To assist with the Compliance of taxpayers in the calculation of Payroll and other taxes.
 - To assist with "on-site" inspections of taxpayers to ensure compliance with the tax legislation. This is particularly important now with the recent change to the "Notional Salary" concept to a more "all encompassing" cash distribution tax regime.

The number of persons required for this work will need to be determined by way of discussion with the OTC. It may be that in the short term, outsourcing the collection of some of the outstanding amounts to private enterprise may be considered, but much will depend on any changes which can be made to existing legislation. (See below). A summary of how the OTC could analyze and target certain accounts receivable has been discussed with them at one of the Committee's meetings.

2. **IT Needs** – Based on discussions with OTC staff as mentioned above and supported by the CARTAC Report from 2015, the IT systems platform is in need of complete replacement. While this should not be attempted until decisions have been made with respect to the recommendations of the Tax Review Commission, there are some urgent short-term needs. The OTC needs to have the present system of recording charges "fixed" so that entries with respect to charges relating to credit payments can be

automatically completed by computer software. This would ensure the accuracy of accounts receivable information and would dramatically reduce the time spent by OTC staff in manually dealing with this issue.

3. **Onsite Tax Compliance** – Immediately put in place a program of on-site compliance audits to ensure that the recent changes to the former “Notional Tax” regime are being properly adhered to by taxpayers. The audit programs should be focused primarily on the highest risks. Focus should first be on legal services, accounting/consultancy, all retail establishments (i.e. bars, movie theatres, betting services), restaurants, wholesalers and medical services including dentists.
4. **Bad Debt Provision review** - The OTC must review all accounts that are listed as “provision for bad debts” to determine through analysis which of these accounts are deemed collectible but without an OTC authorized payment plan in-place. They should then direct these to the Debt Enforcement Unit in the Attorney General’s Chambers for action. Further, any accounts receivable which are determined to be truly uncollectible (e.g. the company has ceased operations) should be written off through the usual approval process. This is necessary so that Government can determine a realistic picture of how much can actually be collected.
5. **Legislation** - Legislation needs to be enacted or amended to accomplish the following:
 - Authorize the OTC to access information from those Government Departments responsible for issuing Licenses, Permits and those that collect Fees.
 - provide the OTC with the capacity to influence compliance in both domestic and corporate services tax positively. This should also provide for the power to confiscate assets in order to settle tax indebtedness.
 - Secure the rights by way of legislation for the OTC to order any establishment to provide documents associated with a delinquent/non-compliant taxpayer. Such legislation could ensure that any business that is non-compliant with the Bermuda Tax Legislation, will not receive any services from the Bermuda Government associated with licenses, permits, approvals, imports, exports, etc. *(if supported by the Legislation)*.
6. **Filing of e-tax returns.** -At present there is a low number of tax filings (only 34%), being made using the on-line filing process. As a result, much time is spent dealing with the manual calculation and input of quarterly payroll tax remittances. In order to reduce the time spent processing tax returns manually it is recommended that a higher number of taxpayers be required to pay their payroll taxes on-line. Accordingly, we recommend that the Minister of Finance should issue a release stipulating that all tax payers over a specified dollar amount of annual payroll taxes will be required to make payments via e-filing commencing by a specified date.

Medium to Long-term Recommendations

1. **IT Systems** - Probably the most important medium to LT recommendation, is that the Government needs to invest in a completely new Tax software system. The OTC handles the bulk of the billing and collection of taxes in Bermuda and their tax software system is woefully inadequate. Many taxes raised by other departments of Government are tracked manually by the OTC which is inefficient and open to error. The CARTAC Report of October 2015 contained many useful recommendations one of which was that the Government must have a properly functioning tax billing and collection system. CARTAC have advised the OTC that such a new system would cost between \$5 and \$15 million. It is believed that a more “off the shelf” solution would be at the lower end of the range. It is advisable for the Government to re-read the entire CARTAC report because there are many other issues to consider here such as the need for the different Government departments to remove all existing organizational and functional silos and work together in a more collaborative way.
2. **Tax Hub** - Consideration should be given to establishing the OTC as the major hub for the collection of all Government taxes. This needs to be considered together with 1 above.
3. **Tax Certification** - It is recommended that all entities that are not compliant with Bermuda Tax Legislation (valid Tax Certification) will not be permitted to operate in Bermuda (an entity may receive a Tax Certification after satisfying the OTC with a back-tax repayment plan). This will help to ensure that all businesses pay their taxes as required by law.
4. **Assistance** – It is recommended that CARTAC or some alternate assistance be employed to assist Bermuda in the reorganization of the OTC. This would include:
 - Reorganization of the OTC by functional units with associated budgets; separate central function (Headquarters) and operational (Field operations) to enhance the performance management effectiveness of the OTC, thus positively impacting the efficiency of the department.
 - Reorganizing all tax collection functions to the OTC (beginning with the Land Tax). All staffing associated with the reorganization with the assistance of CARTAC (or some other organization), will be assessed and budgeted; all associated documentation (job description, contracts, policies, procedures, processes, work-instructions, etc. will be developed).
 - Developing a reporting processes including key performance indicators (KPIs) Service Level Agreement (SLAs), 3Yr Strategic Plan and Budgeting, etc.
5. **Marketing** - Develop a marketing plan for both the public and business owners to understand why “Accountability” will be a critical component of the foundation for

rebuilding a culture where persons or entities behaving 'irresponsibly' will be neither acceptable nor tolerated.

6. **Tax Amnesty Programme** - Government should implement an amnesty programme providing eligible tax payers with a defined timeline to settle the total amount due in return for forgiveness of the late penalties that have been assessed as part of long-outstanding tax bills. This will hopefully mean that delinquent taxpayers can return themselves to full compliance with the tax laws and also provide cash flow for the Government.
7. **Training** - Staff at the OTC have 10 to 30 years' experience in tax collection. However, training always plays an important part in the continuing development of staff to bring them up to date with new ideas and methods of tax collection, as well as making them aware of the AML/ATF requirements in Bermuda. It is recommended that sufficient training be provided to the staff at the OTC to ensure their continued development. This will ensure that the department is aware of the latest developments and requirements of the law.

PROPERTY STAMP DUTY BACKLOG

Short Term (Immediate) Recommendations

1. It is understood that in the past, the Tax Commissioner's office has utilized the services of property attorneys from the UK to help with the backlog of files, making recommendations for the resolution of various matters. In the short term, this help could be utilized again on an urgent basis. Indeed, the number of persons brought in from the UK could be increased from the one person utilized in the past to a greater number.
2. Hiring additional staff in the Tax Commissioner's office to deal exclusively with the adjudication of property stamp duty files could also be considered in conjunction with (1) above.
3. Government could consider hiring a small group of active property attorneys from Bermuda law firms to work together as a "working group" in order to resolve the huge backlog of files. It is not thought that these attorneys would have a problem working together on property files from the different firms. Where there is a conflict (that is to say where one of these attorneys has a file presented where he/she worked on that file), they would simply recuse themselves from the session dealing with that particular file.

Our view is that the firms involved might be willing to do this work for a much-reduced fee because it is in their best interests to clear the backlog. We are suggesting a very modest fee paid on an hourly basis or a fixed fee per month per attorney.

Medium to Long-term Recommendations

1. There is no question that in the medium to long term (and even in the short term as suggested in A), the Tax Commissioner needs more qualified experienced staff to deal with the determination and collection of stamp duty payable on property transactions. Accordingly, a sufficient number of staff need to be employed to handle the volume of work going forward.
2. The suggestion has been made that the Tax Commissioner's office also empanel a Board such as the DAB, with the express power to meet monthly and adjudicate on property matters just as the DAB does on matters that come before it each month.

This Board would be made up of attorneys from industry as well as a representative(s) from the Tax Commissioner's office. The Committee is of the opinion that this could be done with a minor amendment to existing legislation giving the Tax Commissioner the power to do so. (Perhaps under Section 22 of the Stamp Duties Act).

OFFICE OF THE REGISTRAR OF COMPANIES

1. There needs to be a "Champion" appointed for the implementation of the proposed new IT system to immediately take charge and ensure that:
 - An appropriate and current VISION for the Department has been completed.
 - The project has been properly "scoped" to present day needs and to ensure that all appropriate stakeholders have been involved and if not, to ensure that a revised project RFP is prepared. Where contracts have been signed, an immediate revised scope should be sent to the contracting party for a revised costing.
 - An appropriate Budget and timeline have been established.
 - Appropriate IT staff have been assigned to project manage the project.
 - There is no "project creep".
 - Budgets are adhered to.
 - Appropriate waypoints for determining the progress of the project are established and that appropriate and regular reporting is made to the Government authority responsible for this Department.
2. A current AGED listing of outstanding Accounts Receivable needs to be prepared and any accounts that should be written off (due to the fact that the company should be struck off or has been struck off) are written off and the accounts revised.
3. A list of all Accounts receivable representing all NSF cheques should be prepared immediately. All companies whose cheques did not clear (NSF) must be approached and replacement cheques must be prepared and delivered to the ROC immediately. Additionally, the ROC needs to put in place a proper procedure to ensure that in future, NSF cheques are followed up in a timely manner and that if problems are

encountered in the collection of funds, that the AG's chambers be involved early on to assist with the collection of funds.

4. A more efficient process must be developed as a matter of urgency, to ensure a prompt response from the OTC regarding confirmation that companies that are due to be struck off, can indeed be struck off and then dealt with on a timely basis by the office of the ROC.
5. The ROC should discuss with the appropriate Government Department (AG's Chambers) the need to prepare appropriate Regulations for dealing with the requirements of the ROC as it relates to their interaction with Law Firms and CSP's. The ROC should prepare a detailed memorandum setting out their requirements and deliver it to the AG's Chambers for the preparation of appropriate legislation.
6. A report should be prepared by the appropriate Government Department (Public Lands & Buildings), identifying those facilities at the ROC requiring attention. (Bathrooms etc.).
7. A Contingency Plan should be developed in order to deal with the need for extra staff to cope with a possible significant number of new ICO's as a result of recent legislation in this area.
8. A complete review of the Performance Measures established for this department and as outlined in the 2018/19 Budget Blue Book, should be undertaken, involving the staff of the Department. The Committee believes that it is important for the sake of developing a proper sense of direction and goal setting, that clear and well understood Performance Measures be established for this and all other Departments within Government.
9. The Committee recommends that all companies with annual revenue payments to the ROC above a certain level, be required to make all payments by way of wire transfer and not mailed in or hand delivered. This would result in a more prompt collection of funds and increase the Department's efficiency in collecting and processing the annual Company Fees.

GOVERNMENT'S IT INFRASTRUCTURE

1. A proper system of redundancy "failsafe's" needs to be "reimplemented" throughout the Government's IT systems to prevent system slowdowns and in some cases, cessation of work. The estimated annual on-going cost to maintain such a system is \$300,000.
2. The Government's IT Department must control all system software and hardware upgrades so that when vendor changes are to be made to the Government's systems,

the Department's personnel can co-ordinate these changes to prevent system issues occurring.

3. The Government needs to change its overall IT structure from a decentralized "Siloed" one to a centralized structure to ensure a more coordinated, efficient and effective system for the purchase of equipment and software. Coupled with this change, there should be a detailed Strategic Plan for the purchase and maintenance of IT systems led by the IT Department but involving stakeholders from each of the Ministries and Departments.
4. A detailed evaluation needs to be made regarding the establishment of the centralized system recommended in 3 above, together with the preparation of the budgeted costs necessary to hire the appropriate personnel. Consideration should be given to retaining third party assistance by way of a Public Private Partnership agreement using outside expertise on an "as needed basis".
5. The Telecommunications spend of the Department of Public Works should be analyzed and reviewed.

DEPARTMENT OF SOCIAL INSURANCE ("DOSI")

1. A fresh review needs to be undertaken of the DOSI to ensure that the most efficient and effective IT system is being installed. Due to the age of the "new" system presently being installed there is a concern that it may not be the most efficient system now available on the market. Any new system must be able to interact with other Government systems.
2. The review contemplated under 1 above, must include a "rationale" for hiring an appropriate number of personnel to ensure the efficient and effective operation of both the compliance and collection areas of the DOSI. Of immediate need, is the necessity to hire sufficient personnel on a temporary basis, (either by temporary internal hires or by way of third-party Private enterprise assistance), to clear the backlog of long outstanding Accounts Receivable.
3. A more robust and immediate action plan methodology for collecting the larger long outstanding balances from employers needs to be implemented. Changes to the Contributory Pensions Fund Act, such as the requirement for businesses to be no longer than 60 days overdue on Social Insurance payments. If this occurs, then the employer's vehicle licenses should not be renewed at the TCD until amounts owing are fully paid. Such a step would "encourage" employers to pay on a more timely basis. Additionally, the engagement of outside third-party firms to assist with collection through the courts would also help to "speed up" collections.
4. Consideration should be given to reducing the number of bank accounts that need to be reconciled each month. 11 bank reconciliations seemed to the Committee to be an excessive number of bank accounts.

5. The Committee are also of the opinion that this important area needs more oversight, as there is at present no board responsible for ensuring the efficient operation of the DOSI.
6. Further information has been requested from the DOSI regarding information on the composition of the accounts receivable balances.
7. It is recommended that the Government MCS conduct a 2nd review of the DOSI as soon as practical. This review would determine whether or not any recommendations from their first review of this Department have been implemented and provide further recommendations if considered necessary.

PROCESSING AND APPROVAL OF ALIEN LICENSES

1. Once the DOI has checked to ensure that all the required documentation has been received for an Alien License application, the information should be scanned and filed electronically in “batches” according to the requirements of each Department involved in the approval process. The DOI should then send the appropriate scanned documents to each of the various Departments involved in the approval process. Namely:
 - Department of Land Title Registry & Land Valuation (“DOLTR & LV)
 - Department of Public Works (Estates Division) (“DOPW (EST))
2. If there any defects with respect to the content of the scanned documents then the Department concerned (DOLTR&LR or the DOPW (EST.)) should contact the attorney responsible for sending in the documents and request that the required corrections be made and the documents be resubmitted directly to the Department reviewing the information).
3. Once the documents have been approved by each of the two Departments an electronic notice of their approval should be sent directly to the DOI.
4. If ANY of the original documents required amendments for errors or omissions, then electronic copies of those documents MUST be sent to the DOI at the time that approval is given by the particular department. The original documents must also be sent to the DOI.
5. CLEAR timelines for EACH stage of the process must be set and valid reasons for deviating from those guidelines must be documented. This should also include timelines for files which require the involvement of the Attorney General’s office.
6. Checklists must be developed for the entire process and particularly at each stage of the process so that it is clear what needs to be done and who the responsible party is.

7. Regular training (at least once a year) should be provided for the legal and real estate practitioners on the Island. Communication with the Bermuda Bar and the Real Estate Division of the Chamber of Commerce to facilitate these sessions, should commence as soon as possible. Examples of proper documentation and documentation that has not been properly prepared should be shown to all participants. Suggested checklists that could be used by both groups should also be prepared and shared. Representatives from each of the three areas should be involved in the training process namely:

- Department of Land Title Registry & Land Valuation (“DOLTR & LV”)
- Department of Public Works (Estates Division) (“DOPW (EST)”)
- Department of Immigration (DOI)

8. A “communal” log book should be maintained in electronic form for all relevant departments to see showing the date on which the documents were first lodged with the DOI.

9. The DOI should, as a matter of urgency, resolve the issue of access to World-Check to perform the work previously performed by the BMA. At present there does not appear to be a clear indication of how the DOI will gain access to World-Check. They have been told that the Library will be able to give them access but this is unsatisfactory. They need to be able to access it from their own offices where privacy and confidentiality can be retained. Government needs to carry out a review of the fees presently charged for Alien Licenses and assess their reasonableness.

The EC gave consideration to creating a new team comprised of persons from each of the three Departments who would work side by side and thus save time on the “toing and froing” of files. However, it became clear during our discussions that the processing of Alien Licenses was only a small part of the work performed by each Department and so such a recommendation would not make economic sense.

INTELLECTUAL PROPERTY REVENUES

An Intellectual Property attorney put forward the recommendations as listed below. The EC were not in a position to necessarily concur with his recommendations since this is a highly specialized area but are of the opinion that Government should initiate a meeting between this attorney and representatives from the Registrar General’s office to discuss his recommendations. The EC also recommends that this attorney be asked to prepare a paper which clearly sets out what additional revenue he believes the Government can generate

from his recommendations and the estimated costs, both “one off” and “on going” for making the changes he is suggesting.

1. Remove the Intellectual Property Register and related tasks from the Registrar General’s office and make it independent as is the case in other jurisdictions.
2. Fill the post of Assistant Registrar responsible for IP by moving the current Manager to this post, due to his expertise in the industry.
3. Revise Bermuda’s current IP legislation (Trademark & Patent Act) immediately by adopting either the UK’s legislation or that of the Isle of Man having amended it to suit Bermuda’s specific requirements. (This is what the Cayman Islands did). He also suggested establishing a small group of attorneys from Private practice to take the UK IP legislation and adjust it to fit Bermuda’s needs.
4. Become a member of the Patent Corporation Treaty.
5. Replace the current manual application process with a more efficient electronic process (emails etc.).
6. Create a Registrar of Trademarks.
7. Replace the current IP software with more up to date efficient software. He can advise on what is being used in other jurisdictions.

TELECOMMUNICATIONS EXPENDITURES

1. The Committee was informed that the OPMP and Government’s IDT were in the process of reviewing the area of telecommunications throughout Government as part of the Government’s reform initiative. Accordingly, the Committee agreed that while a review carried out by Fluent would be very useful, any work by them should be done only AFTER the OPMP and IDT had completed their review, as their work could assist FLUENT should the Government decide to proceed with their services.
2. Because she was unable to give a range of a fee for her services, due to the complexity and size of the review work, it was agreed that she should start by focusing on one Ministry only in the first instance, to gauge cost and effectiveness in producing cost savings. A clear plan and set of “deliverables” must be agreed before she commences her work and there must be “buy-in” from Cabinet.
3. It was noted that there may be a number of “landlines” NOT in use but for which monthly fees are being paid to the telecommunication supplier. Additionally, there are still fax machines in place throughout Government most of which are not being used BUT for which a monthly line rental fee is being paid to the telecommunication supplier. Pagers and radios are also redundant for the most part but charges for them are still being incurred. It was agreed that the Junior Minister would see how best to move forward with removing this equipment and related charges as soon as possible.

OTHER RECOMMENDATIONS

1. The Committee recommends that Government establish a commission to examine the operations and *raison d'être* for the existence of all Quangos after first reviewing the report issued by the Central Policy Unit in 2003 for relevancy.
2. It recommends that the revised schedule of Board fees, as outlined in Appendix M be adopted by The Government of Bermuda.
3. With respect to the area of Financial Assistance ("FA") the Committee recommends the following:
 - The Internal Audit Department of Government should carry out a review and test of the internal controls surrounding the payments for all disbursements in this department to satisfy themselves that the services rendered are appropriate and that costs are properly supported and reasonable.
 - That the suggestion regarding the need for mothers to be actively seeking work be a requirement for receiving Child Day Care payments.
 - That the Office of Project Management and Procurement ("OPMP"), explore the possibility of entering into a special agreement with an overseas medical supplier to supply certain required drugs (mental health) at a cost significantly less than what is being paid at present.
 - That the Finance Department be required to meet with FA to determine what financial reporting is required in order for FA to perform their work and ensure that such requests are met and are in place early in Fiscal 2019/20.
 - That FA explore, through discussions with the AG's Chambers, whether or not it is possible for FA to require rental income from homes not occupied by seniors who are receiving subsidies through their placement in senior rest homes, to be paid to FA.
 - All telephone subsidies for mobile phones cease early in 2019.
4. With respect to old uncashed cheques in the OTC, the Committee further recommends the following:
 - that the Internal Audit Department of Government perform a further follow up review and analysis and ensure that adequate procedures have been established and are being followed by the staff of the OTC, to ensure the prompt deposit of all funds received.
 - that the Tax Commissioner approach the Managing Partner of each of the law firms to whom the cheques relate and ask that one cheque be reissued to cover all "stale dated" cheques for each firm.
5. That the bargaining agreements for the various unions representing the uniformed services, be examined in the first instance and that discussions then be held between Government and the unions to see if the level of purchasing of new uniforms can be reduced.
6. With respect to the procurement of Materials and Supplies throughout Government, the Committee recommends the following:

- There needs to be a proper coordination of buying between all Government Departments rather than each Department being left to carry out their own buying.
 - Government needs to carry out a cost/benefit analysis on the advisability of leasing or purchasing its own drinking water purification system to see if the overall cost of providing proper drinking water throughout Government can be reduced.
 - Budgets for each Department throughout Government need to be rigorously challenged each year, well in advance of finalizing the annual Consolidated Fund Government Budget to ensure that they are reasonable, fair and appropriate and that zero-based budgeting has in fact been carried out. It was suggested that perhaps a Budget Committee consisting of some external “non-Government” professionals be asked to serve on such a committee to ensure that the appropriate rigor has been carried out.
 - A complete review of the internal controls and other safeguards over inventory supplies and stores needs to be performed to ensure that proper controls are in place to control the expenditure and distribution of Inventory materials and supplies. Distribution policies should also be reviewed to ensure that materials and supplies are distributed in the most efficient and effective manner.
 - As with other areas of Government (e.g. the OTC), there needs to be put in place an IT system that allows for the collective identification of amounts due to Government (throughout all areas of Government), to ensure that when services are performed by suppliers who owe the Government money, there is an appropriate “garnishing” of payments and that in the end, Government is fully repaid.
 - Government needs to “revisit” its current process for the approval of certain projects and purchases as evidenced during our discussion with The Ministry of Public Works. Time delays and approvals with subsequent changes of approval, cost the Government money and lead to inefficiencies including delays in the completion of capital projects.
7. With respect to the Office of Project Management and Procurement (“OPMP”) the Committee had the following recommendations:
- The Government should continue with zero-based budgeting to justify Budget spends by each department.
 - The most important role of the OPMP was to evaluate the purchasing of goods and services throughout Government and make recommendations for cost savings to secure the best price and further, to evaluate and implement short, medium and long term goals and opportunities for cost savings.
 - The OPMP should co-ordinate the purchase of goods and services across all Departments rather than allow each department to purchase their own supplies, recognizing that there may be circumstances where it is more efficient for each department to purchase certain goods themselves. It is recognized that it is far more efficient to have one department (the OPMP) co-ordinate the purchase of goods and services for the entire Government.

- The OPMP should examine possible bulk purchases for this year and see what savings and efficiencies can be effected.
 - The OPMP should be realistic in its goals by choosing a limited number of business plan objectives for the current fiscal year. For example, the Committee thought that negotiating a small number of framework agreements (setting out prenegotiated terms, prices, agreed levels of service) with suppliers, with assistance from the Budget Department and the involvement of Department controllers, would be an excellent start to the overall process.
 - Balance the purchase of goods and services, so that a large purchaser can work with smaller vendors, depending on the commodity and the nature of the business.
 - Identify opportunities for historically economically disadvantaged vendors such as is currently the case for certain Repairs and Maintenance for schools.
8. With respect to the area of Government Department staffing the Committee had the following recommendations:
- Government should look at the “Vacant but Funded” Positions at the half year (Sept 30,2018) and defer any further recruitment for “still vacant “positions until next fiscal year, after a detailed review has been conducted to justify the continuation of recruitment for any “still vacant” positions.
 - That all posts which remain unfilled after 3 years be abolished noting that Cabinet is the only entity that can abolish a post.
 - That the Government needs to develop and review on a continuing basis, a Detailed Strategic Plan and ensure that every Government Ministry and Department is completely in alignment with that Strategic Plan. Departments will then have to justify their staffing needs based on fulfilling Government’s Overall Strategic Plan and that of their Department.
 - That Government empanel a committee to arbitrate on decisions regarding staffing resources and filling funded vacant posts, justified against service delivery requirements.
9. SAGE REPORT. As part of its deliberations the Committee Members were asked to review the contents of the SAGE REPORT. Many of the discussions that were held during the period March to October were concerned with the lack of accountability and the need for an overall Strategic Plan for Government. In some cases, it appeared that there had been inadequate leadership and because, in the Committee’s view, there was no Strategic Plan, appropriate staffing levels in some departments were not being maintained. (e.g. The OTC). The Committee strongly recommends that the recommendations as out lined on pages 11 and 12 (more fully detailed on pages 71 to 76) of the SAGE Report under the heading “Measurement & Metrics: The Era of Accountability, be adopted as a matter of some urgency. See page 23 to 25 of the SAGE Report for more detail.
10. The EC would like to see an analysis prepared of the top 20 debtors for each of payroll tax, social insurance, stamp duty and land tax.
11. An overall plan needs to be developed whereby ALL Departments (OTC, ROC, DOSI etc.) combine their outstanding accounts receivable for a joint CENTRALIZED collection effort

based on the recommendations made to date by the EC, in order to collect long overdue accounts receivable. A Task Force under the leadership of ONE key individual, would then have the responsibility to drive this initiative forward with key deadlines set. At the moment the EC believes that their recommendations for the collection of outstanding accounts receivable in all areas of Government, are not proceeding at a fast-enough pace and that the speed of collections needs to be stepped up significantly. In particular, the need for various Government Departments to share the same IT systems (e.g. ROC, OTC, DOSI) is key to moving forward as there are a number of companies who have outstanding debts in each of the above three areas. The EC also believes that this will need full Cabinet support and should be addressed at the earliest opportunity.

12. There needs to be a group identified who will be charged with the responsibility of bringing together ALL of the various EC and systems reports over the last several years, (CARTAC, SAGE, PWC, EC, First Bermuda etc.) setting out a clear action plan and determining a realistic budget and timeline for implementation. This exercise could be undertaken by the Government's MCS in the first instance and they could report back to the EC for confirmation of a workplan with clear timelines for implementation. Consistency in approach and a determination to complete the required changes (regardless of changes in Ministers etc.) is of paramount importance.
13. The EC met on five occasions with representatives from various Ministries and Departments to discuss the significant amount of overtime that is being worked throughout Government. According to a schedule of Overtime supplied to the EC, total overtime amounted to \$ 16.2 million for the 7 months ended October 31, 2018. This total was approximately \$ 2.8 million (21%) OVER Budget for Fiscal 2018/19. (See attached Appendix B). As can be seen by an examination of this Appendix, the most significant overruns are in:
 - Education (\$ 329,832)
 - Public Transportation (\$ 681,579)
 - Public Works HQ (\$ 152,730)
 - Child & Family Services (\$ 238,079)
 - Department of Corrections (\$ 1,843,976)
 - Fire Services (\$ 764,485)

Extensive meetings were held with representatives from many areas of Government and meetings are still ongoing. Accordingly, it is not possible at this time to reach any meaningful recommendations but it is obvious that this is an area which is not properly budgeted. The Committee members are of the view that this is an area where significant savings could be made.

C. DISCUSSION FOR THE PERIOD MARCH 13, 2018 TO MAY 31, 2018

Please read the three interim reports which are attached as Appendices D, E and F to this Report.

D. DISCUSSION FOR THE PERIOD JUNE 1, 2018 TO MARCH 31, 2019

Government of Bermuda – Quasi-Autonomous Non-Government Organizations (“QUANGOS”)

At various times during the meetings held over the last 8 months, concern was expressed about the efficiency and effectiveness of some of the QUANGOS in Bermuda. It was noted that a study had been carried out in 2003 by the Central Policy Unit (Government) and a report produced with recommendations concerning the operation of QUANGOS. Although it is beyond the remit of the Committee to examine the operations of the existing QUANGOS, there was general concern about the need for so many of them, particularly where it was perceived that there was overlap (e.g. WEDCO, Bermuda Land development Corporation and the Bermuda Housing Corporations) in terms of their purpose and detail of operations. Further, concern was expressed about whether or not specific relevant Goals and Objectives had been established for the QUANGOS, whether or not realistic and meaningful KPI's had been established and who, if anyone, was reviewing their operations in terms of effectiveness and efficiency. The Committee also expressed concern over (in some cases) the deviation of salary levels in the various Quangos, from the PS Step levels and wages for those persons hired by Government and appearing in the Budget Blue Book.

The Commission recommends that Government establish a commission to examine the operations and *raison d'être* for the existence of all Quangos, after first reviewing the report issued by the Central Policy Unit in 2003 for relevancy.

Government Board Fees

The Committee had been specifically charged with the task of reviewing the Board Fees of various Government Boards for entities operating outside of the Consolidated Fund. These entities are listed in Appendix N to this Report.

A number of meetings were devoted to this matter and several analyses were prepared showing the current fee structure for the various Boards, in addition to initial suggested revisions. Representatives from The Regulatory Authority were asked to attend one of the Committee's meetings and a lengthy discussion took place regarding the work performed by the Authority's Board members. In particular, the Committee wanted to determine how often the Board met, how much time was devoted to the RA's business at these meetings and how much time was required to prepare for the twice-weekly meetings.

After some initial discussions, the Policy and Strategy Section of Government, under the direction of Dr. Nicola E O'Leary, prepared a Proposed Framework of Criteria for Standardizing Quango Board Fees. This framework, together with a "Scorecard", was discussed at some length and further revisions were made to it, after which a final revised framework was

prepared entitled “Quango Boards – Fee Structure”. This is attached as Appendix O to this report.

The final level of fees recommended by the Committee is attached as Appendix M to this report together with a Scorecard, Appendix P.

Financial Assistance

In attendance at one of our meetings, was Ms. P. Glasford from the Department of Financial Assistance, who had recently assumed responsibility for this area of Government. Sen Jardine had prepared a summary analysis with respect to Financial Assistance and this is attached to this Report as Appendix Q.

It was obvious from the discussion that there had been a number of areas of concern within this Department but that several initiatives had been undertaken to address some of them, although work still remains to be done. It was clear that there are delays in Ms. Glasford receiving timely (or any) Financial Information principally due to a lack of coordination between the FASS Accounting system and the Government E1 accounting system. Accounting information is not being received on a regular basis and is only received when it is asked for, rather than on an automatic basis.

A number of new initiatives such as the development of an MOU between FA and the Energy Department to have energy audits conducted on client households, remain outstanding at this time. A shortage of rental units was mentioned and also that some rest homes have not been informing FA of deaths of clients on a timely basis. As a result of this, FA has continued to pay rest homes for a period of time after such deaths.

FA informed the Committee that they were phasing out the need for client mobile phones as this is seen as an unnecessary cost. FA said that one of their most significant costs that they cannot control, is medical costs. An examination of Appendix Q shows that Medical Supplies and Medication cost over \$ 175,000 per annum. When combined with Future Care, HIP and other smaller expenditures they amount to \$9.8 million or 22% of total FA costs. Appendix Q also shows that Rent accounts for \$12.8 million (28%), Rest Home and R&B accounts for \$12.1 million (27%), and Healthcare \$9.8 million (22%) of total FA costs.

Ms. Glasford expressed concern about the cost of certain drugs (mental health) which are purchased locally. Online costs do not appear to be much cheaper. She also said that there were instances of mothers who are not working but still receiving a child day care allowance. Ms. Glasford said that FA are considering a mandatory requirement for mothers to seek work in order to receive any child day care allowance.

It was also disclosed that there are some seniors who are receiving rest home payments who are also home owners and that their properties are unoccupied. Ms. Glasford is presently

exploring the opportunity of renting these properties and using the rental income to help offset the cost of rest home care.

The Committee discussed with Ms. Glasford the controls in place to ensure that payments for rents, medication and groceries are properly controlled and in particular food costs, since these amount to \$4.6 million per annum. Ms. Glasford was satisfied that there were sufficient controls in place to ensure that disbursements were properly supported.

The Committee then discussed what they had heard from Ms. Glasford and put forward the following recommendations:

- The Internal Audit Department of Government should carry out a review and test of the internal controls surrounding the payments of all disbursements in this department to satisfy themselves that the services rendered are appropriate and that costs are properly supported and reasonable.
- That the suggestion regarding the need for mothers to be actively seeking work be a requirement for receiving Child Day Care payments.
- That the OPMP explore the possibility of entering into a special agreement with an overseas medical supplier to supply certain required drugs (mental health) at a cost significantly less than what is being paid locally at present.
- That the Finance Department be required to meet with FA to determine what financial reporting is required in order for FA to perform their work and ensure that such requests are met and are in place early in Fiscal 2019/20.
- That FA explore, through discussions with the AG's Chambers, whether or not it is possible for FA to require rental income from homes not occupied by seniors who are receiving subsidies through their placement in senior rest homes, to be paid to FA.
- All telephone subsidies for mobile phones cease early in 2019.

Uncashed cheques at the Office of The Tax Commissioner ("OTC")

During discussions held with representatives from the Office of the Tax Commissioner, it was revealed that there were uncashed cheques totaling \$330,578 which had been found in a desk drawer at the Offices of the Tax Commissioner, some dating back to 2006. (12 years old). The Committee enquired if there was a reason why cheques would remain undeposited for such a length of time, and the Tax Commissioner confirmed that the existing policy was to deposit all cheques within 48 hours of receipt, even if the matter they were related to needed to be adjudicated in some way. Since Mr. Rawlins was new to the OTC he could not provide any reasons as to why the cheques had not been deposited. He assured the Committee that from now on all cheques received by the OTC would be deposited in a timely fashion.

The Committee instructed the Tax Commissioner to take immediate steps to deposit these uncashed cheques or in cases where the cheques are “stale-dated”, to request fresh cheques from the parties concerned.

While the Committee did not carry out any further analysis or study of this situation, it recommends that the Internal Audit Department of Government perform a further follow up review and analysis and ensure that adequate procedures have been established and are being followed by the staff at the OTC, to ensure the prompt deposit of all funds received.

The Committee further recommends (and indeed recommended to the Tax Commissioner) that the Tax Commissioner approach the Managing Partner of each of the law firms to whom the cheques relate and ask that one cheque be reissued to cover all “stale dated” cheques for each firm.

Clothing and Uniforms

A discussion was held regarding the cost of Clothing and Uniforms and the frequency with which such items were replaced. It was observed that in certain areas of Government new uniforms were provided automatically on an annual basis. The Committee questioned the need for such automatic purchases to take place, suggesting that replacement of clothing should be on an “as needed” basis. It was agreed to recommend that the bargaining agreements for the various unions representing the uniformed services, be examined in the first instance and that discussion then be held between Government and the unions to see if the level of purchasing of new uniforms can be reduced.

Materials & Supplies expenditure

One of the areas that the Committee focused on was the Consolidated Fund expenditure for Materials and Supplies. Several analyses were prepared by the Budget Director and Senator Jardine and only some of them (because they are voluminous) are attached as Appendices R and S.

Appendix R, prepared by the Budget Director shows the breakdown of many of the Materials and Supplies Categories, by Department. It does not include ALL materials and supplies expenditures because there are many categories. The Committee agreed to look at the more significant ones and those listed in Appendices R and S, represent approximately 90% of ALL Materials and Supplies expenditures for the Consolidated Fund.

Appendix S, prepared by Sen Jardine, takes the same information but presents it in a different way to show the different Materials and Supplies categories across the top of the page and then the breakdown by Ministry and Department on the left-hand side of the spreadsheet. The far right of the spreadsheet shows the number of employees in each Ministry and the % of the Material and Supplies expenses analyzed for each Ministry. The last page of this analysis shows the totals for the various expense categories analyzed. It was noted that the most significant

expenditures were in the areas of Office Supplies, General Stationary Supplies, Food Supplies, Purchase of a variety of Inventory items for Works & Engineering and other areas of Government and Medical Supplies. Also Drinking Water costs amounted to \$ 370,000 per annum, although it is believed that this cost was low and that other charges for water have been posted to other accounts such as W&E Water and Food Supplies. The Committee noted that the total expenditure for Materials and Supplies had decreased by \$11 million from a high of \$34 million in 2010, to \$23 million for 2019.

With these two analyses, the Committee examined the information presented and prepared questions to be asked of Ms. W. Bluefort and representatives from The Ministry of Public Works who met with the Committee.

The Committee were particularly interested in finding out the process for purchasing the materials and supplies for each Ministry. Their concern was whether or not the Government was purchasing its Materials and Supplies in the most efficient and cost-effective manner.

It was not the Committee's remit to examine the processes in depth for this area but rather to determine if the buying process seemed reasonable and to meet with two major areas of Government to discuss with them, their procedures for the purchase of materials and supplies.

The Committee met with Ms. Wanda Bluefort, Finance manager for the Bermuda Police Service to discuss the procedures in the BPS for the purchase of Materials and Supplies. It was observed that:

- Departments do NOT coordinate their individual buying needs with each other. For example, they do not co-ordinate the buying of their office supplies with any other Government Department.
- They purchase their own food for prisoners from overseas suppliers.
- Although drinking water was not a significant part of their budget, they will be looking at the cost/benefit of purchasing their own water filtration system.
- There was a very significant charge to expenses for Spare Parts in 2016 (\$850,000 vs a normal expenditure of about \$250,000. It was explained that this was due to "adjustments" which had to be made to the Inventory records in order to put the correct value in the E-1 Government accounting system.

The Committee also met with Gideon Kigotho, Joanne Smith and Chris Farrow all from the Ministry of Public Works to discuss their procedures for the purchase of Materials and Supplies. It was observed that:

- They follow the PFA 2000 and PFA 2002 policies and procedures for the procurement of materials and that for the two large categories of Maintenance Materials and W&E Prospect Stores, most of their purchases come from local vendors.
- There have been difficulties in obtaining quotes from overseas suppliers for specialized services or goods because of Bermuda's small buying volume.

- A number of local suppliers who owe the Government money (taxes) are providing services to Government. There is a policy of withholding funds to repay Government for taxes owed. However, the Committee were of the view that because there is no proper coordination of taxes and other fees owed by the different Government Departments, it is impossible to properly ensure that debts are repaid in full before monies are paid out by Government for services rendered.
- Members of the Committee questioned how Inventory was being controlled and if annual counts were being compared to previous years' and major variances investigated. Public Works personnel said that an inventory analysis had recently been completed and that it showed a significant difference (loss) between what was counted and what was recorded in the inventory system, particularly for Aggregate, although no final actual differences were available.
- The cost of drinking water was discussed and staff said that although it appeared as a small dollar item on our analysis, it was believed to be much larger and that much of the water costs had been charged out to contracts in code 5270 as well as to Food Supplies.
- Staff said that one of the most significant contributors to a lack of efficiency, was the time to obtain approval from Cabinet for projects and purchases. Delays in approval not only delay the start and completion of projects but also result in increased costs. Several examples were given of projects that were delayed, approved, then the approval was rescinded.

The Committee then discussed the results of these two sessions and made the following recommendations. It is recognized that some of the following recommendations have also been made with respect to the Office of Project Management and Procurement:

- a. There needs to be a proper coordination of buying between all Government Departments rather than each Department being left to carry out their own buying.
- b. Government needs to carry out a cost/benefit analysis on the advisability of leasing or purchasing its own drinking water purification system to see if the overall cost of providing proper drinking water throughout Government can be reduced.
- c. Budgets for each Department throughout Government need to be rigorously challenged each year, well in advance of finalizing the annual Consolidated Fund Government Budget, to ensure that they are reasonable, fair and appropriate and that zero-based budgeting has been carried out. It was suggested that perhaps a Budget Committee consisting of some external "non-Government" professionals be asked to serve on such a committee to ensure that the appropriate rigor has been applied.
- d. A complete review of the internal controls and other safeguards over inventory supplies and stores needs to be performed to ensure that proper controls are in place to control the expenditure and distribution of Inventory materials and supplies. Distribution policies should also be reviewed to ensure that materials and supplies are distributed in the most efficient and effective manner.
- e. As with other areas of Government (e.g. the OTC), there needs to be put in place an IT system that allows for the collective identification of amounts due to Government

(throughout all areas of Government), to ensure that when services are performed by suppliers who owe the Government money, there is an appropriate “garnishing” of payments and that in the end, Government is fully repaid.

- f. Government needs to “revisit” its current process for the approval of certain projects and purchases as evidenced during our discussion with The Ministry of Public Works. Time delays and approvals with subsequent changes of approval, cost the Government money and lead to inefficiencies including delays in the completion of capital projects.

Government Information technology (“IT”)

(See additional special report prepared by K. Dickens in Appendix X to this Report).

Office of Project Management and Procurement (“OPMP”)

At our June 5 meeting, the Acting Director of OPMP, Graham Simmons, was asked to attend and speak to the committee about the intended Framework Agreements with regard to procurement for Government. His presentation is attached to this Report in Appendix G. He also provided us with copies of the new Code of Practice for the OPMP.

It should be noted here that he was asked to attend on the basis that the Committee wanted to hear what procedures are currently in place for the procurement of goods and services for the Government and what role the OPMP would play in bringing about efficiencies with respect to coordinating the efficient purchase of good and services throughout Government.

First, it was his desire, agreed to by the Committee, that there be a full engagement and co-operation between the OPMP, the Budget Office, the Accountant General and third parties. The Committee were also anxious that the representatives from each department be fully involved in any agreed processes.

He said that his Department wanted to identify opportunities for savings and efficiencies and work to ensure improved terms for Government. The Committee discussed some of the goals of the OPMP such as, to reduce the number of vendors, and seek improved terms from the largest and most important suppliers. Also, how these two goals might be at odds with Government’s desire to allow all Bermudian suppliers (large and small), the opportunity to bid for supplying goods and services to Government. It was recognized that there needed to be a careful balance of efficiencies vs opportunities for small vendors.

It was agreed that some areas such as vehicle purchases, office equipment and supplies, internet services, computer hardware and software, food and office cleaning, needed a more systematic approach.

The discussion was very wide-ranging and the Committee was of the view that it should be the responsibility of the OPMP to conduct a “spend analysis” and secure the best rates for goods and services. They also agreed that it was important for the OPMP and the Budget Office to work more closely together in the future. The positive results of “Zero-based Budgeting” were also discussed and it was agreed that this should continue throughout Government for each budget year.

The following recommendations were agreed to be the Committee:

- a. The Government should continue with zero-based budgeting to justify Budget spends by each department.
- b. The most important role of the OPMP was to evaluate the purchasing of goods and services throughout Government and make recommendations for cost savings to secure the best price and further, to evaluate and implement short, medium and long term goals and opportunities for cost savings.
- c. The OPMP should co-ordinate the purchase of goods and services across all Departments rather than allow each department to purchase their own supplies, recognizing that there may be circumstances where it is more efficient for each department to purchase certain goods themselves. It is recognized that it is far more efficient to have one department (the OPMP) co-ordinate the purchase of goods and services for the entire Government.
- d. The OPMP should examine possible bulk purchases for this year and see what savings and efficiencies can be effected.
- e. The OPMP should be realistic in its goals by choosing a limited number of business plan objectives for the current fiscal year. For example, the Committee thought that negotiating a small number of framework agreements (setting out prenegotiated terms, prices, agreed levels of service) with suppliers, with assistance from the Budget Department and the involvement of Department controllers would be an excellent start to the overall process.
- f. That the OPMP Balance the purchase of goods and services, so that a large purchaser can work with smaller vendors, depending on the commodity and the nature of the business.
- g. Identify opportunities for historically economically disadvantaged vendors such as is currently the case for certain Repairs and Maintenance for schools and use their services if economically viable to do so.

Government's IT Infrastructure

At a meeting attended by the Acting Director of IDT for the Bermuda Government Mr. Shawn Lightbourne, he said that there are a number of issues with respect to the Government's current IT Infrastructure. Specifically, they are:

- The structure is unstable due in part to the fact that there is little to no system redundancy. This is because the previous Government did not renew certain contracts with outside vendors to provide redundancy “failsafe’s” in the event of system failures because of Budget cuts. This is particularly problematic because the Government’s Data Centre is located some distance from the majority of Government offices, so when there is a system failure and the data cannot be accessed at the Government’s Data Centre (because there is no redundancy), then works stops or it can slow down significantly. Mr. Lightbourne estimated that it would cost approximately \$300,000 annually to return to a proper redundancy system environment.
- There are also software issues where vendors make changes to software “after hours” and do not notify IDT about these changes. When the systems “boot up” in the morning issues arise because these changes have not been fully implemented across all systems. Time is then lost solving these issues and again work stoppages or “slow-downs” can occur.
- Through discussion with members present, it became clear that there is no overall Strategic Plan for the purchase and maintenance of IT systems (Hardware and Software). Mr. Lightbourne said that there was no overall plan whereby Government Ministries (and their Departments) determine their needs, communicate them to the IDT Group and then wait for feedback from IDT as to whether or not their IT needs are appropriate and can be satisfied. With over 240 different IT systems operating in Government there must be proper centralized budgeting and control. In the words of Mr. Lightbourne, “... the IT Department acts more as a “helpdesk” as opposed to a consulting service which in his opinion, is what they should be doing.”
- The next issue (concern) is that the present IT structure is very decentralized in terms of proper management decision making with respect to equipment needs and purchasing. That is to say, making the correct purchasing decisions and at the best price. At present, there are a number of “shadow IT persons” working outside Mr. Lightbourne’s Department in some of the larger Government Departments such as the Police. As a result, there is a SILOED approach to IT which can be inefficient and more expensive. He believes that a more CENTRALISED structure would be preferable but that he would need additional staff of up to 38 Full Time employees to make this change and while he could possibly use some of the existing “shadow persons” working in the other departments, they may not have the skill sets that he would require.
- Mr. Lightbourne also expressed the view that he had some concerns about the cost of telecommunications in the Public Works department where he estimates that the total annual spend is approximately \$15 million.

The following recommendations were agreed to by the Committee:

- a. A proper system of redundancy “failsafe’s” needs to be “reimplemented” throughout the Government’s IT systems to prevent system slowdowns and in some

- cases, cessation of work. The estimated annual on-going cost to maintain such a system is \$300,000.
- b. The Government's IT Department must control all system software and hardware upgrades so that when vendor changes are to be made to the Government's systems, the Department's personnel can co-ordinate these changes to prevent system issues occurring.
 - c. The Government needs to change its overall IT structure from a decentralized "Siloed" one to a centralized structure to ensure a more coordinated, efficient and effective system for the purchase of equipment and software. Coupled with this change, there should be a detailed Strategic Plan for the purchase and maintenance of IT systems led by the IT Department but involving stakeholders from each of the Ministries and Departments.
 - d. A detailed evaluation needs to be made regarding the establishment of the centralized system recommended in c above, together with the preparation of the budgeted costs necessary to hire the appropriate personnel. Consideration should be given to retaining third party assistance by way of a Public Private Partnership agreement using outside expertise on an "as needed basis".
 - e. The Telecommunications spend of the Department of Public Works should be analyzed and reviewed.

Department of Social Insurance ("DOSI")

At a meeting with the Director of the DOSI, a number of issues were raised as follows:

- The DOSI are in the process of installing new software to assist with the better recording of contributions to Social Insurance. However, it was discovered that the "new" software was already 10 years old and members queried if it would provide the most efficient and effective system available today.
- The current system and indeed the "new" system may contain inaccurate information due to the fact that some employers do not provide complete or accurate information for their employees. That is to say, it is up to employers to notify the Department, of retirements, new hires and changes to other information concerning an employee.
- The new system will not be able to interact with other Government IT systems.
- The DOSI currently has 23 employees with only 6 Inspectors responsible for both Compliance and Debt Collection. There are currently over 5,000 employers and more than 34,000 employees interacting with the DOSI regarding contributions etc.
- Based on the Budget "Blue Book" the DOSI processed on average 180 applications per month in 2018/19, dealt with approximately 100 compliance issues per month, completed on average 200 Compliance inspections per month and performed 11

Bank reconciliations per month. There are many manual adjustments required to be made each month.

- The present (Nov 2018) list of outstanding accounts receivable for Social Insurance, amounted to \$44.8 million of which \$28.9 million are over 120 days old (64% of total A/R's). Many in the 120 day and over category also have current, 30, 60 and 90 day amounts outstanding. In other words, they are not paying newer amounts due either. With only 6 persons doing both collections and compliance there are simply not enough staff to deal with the poor collections from companies. The Director observed that as soon as staff from her department chase companies for delinquent payments many do make payments.
- The Director of the DOSI is of the view that there is not a robust enough effort from the AG's chambers to collect outstanding debts on behalf of the DOSI. This is most likely due to insufficient staff in that area. Returns from the AG's chambers are not significant. The DOSI has no other means by which it can enforce the payment of outstanding monies.
- There is also the problem that retirees who have outstanding amounts due from employers regarding their pensions, cannot receive their pensions until the employers have paid all outstanding amounts due.
- DOSI is currently awaiting a second review by Government's Management Consulting Services ('MCS') to provide recommendations on how the DOSI can operate more efficiently.

The following recommendations were agreed to by the Committee:

- a. A fresh review needs to be undertaken of the DOSI to ensure that the most efficient and effective IT system is being installed. Due to the age of the "new" system presently being installed there is a concern that it may not be the most efficient system now available on the market. Any new system must be able to interact with other Government systems.
- b. The review contemplated under a. above, must include a "rationale" for hiring an appropriate number of personnel to ensure the efficient and effective operation of both the compliance and collection areas of the DOSI. Of immediate need, is the necessity to hire sufficient personnel on a temporary basis, (either by temporary internal hires or by way of third-party Private enterprise assistance), to clear the backlog of long outstanding Accounts Receivable.
- c. A more robust and immediate action plan methodology for collecting the larger long outstanding balances from employers needs to be implemented. Changes to the Contributory Pensions Fund Act, such as the requirement for businesses to be no longer than 60 days overdue on Social Insurance payments. If this occurs, then the employer's vehicle licenses should not be renewed at the TCD until amounts owing are fully paid. Such a step would "encourage" employers to pay on a more timely

- basis. Additionally, the engagement of outside third-party firms to assist with collection through the courts would also help to “speed up” collections.
- d. Consideration should be given to reducing the number of bank accounts that need to be reconciled each month. 11 bank reconciliations seemed to the Committee to be an excessive number of bank accounts.
 - e. The Committee are also of the opinion that this important area needs more oversight, as there is at present no board responsible for ensuring the efficient operation of the DOSI.
 - f. Further information has been requested from the DOSI regarding information on the composition of the accounts receivable balances.
 - g. It is recommended that the Government MCS conduct their 2nd review of the DOSI as soon as practical. This review would determine whether or not any recommendations from their first review of this Department have been implemented and provide further recommendations if considered necessary.

Discussion of the Price Waterhouse Coopers (“PWC”) Jan 4, 2019 Report

A general discussion was held regarding the report produced by PWC with respect to the Office of the Tax Commissioner (“OTC”) dated January 4, 2019. The Committee members were generally in agreement with the recommendations made in the PWC report and noted that a number of them mirrored the recommendations made by the EC in their October 2018 report. As a result of this discussion the EC had the following additional recommendations:

- a. The EC would like to see an analysis prepared of the top 20 debtors for each of payroll tax, social insurance, stamp duty and land tax.
- b. An overall plan needs to be developed whereby ALL Departments (OTC, ROC, DOSI etc.) combine their outstanding accounts receivable for a joint CENTRALIZED collection effort based on the recommendations made to date by the EC, in order to collect long overdue accounts receivable. A Task Force under the leadership of ONE key individual, would then have the responsibility to drive this initiative forward with key deadlines set. At the moment the EC believes that their recommendations for the collection of outstanding accounts receivable in all areas of Government, are not proceeding at a fast-enough pace and that the speed of collections needs to be stepped up significantly. In particular, the need for various Government Departments to share the same IT systems (e.g. ROC, OTC, DOSI) is key to moving forward as there are a number of companies who have outstanding debts in each of the above three areas. The EC also believes that this will need full Cabinet support and should be addressed at the earliest opportunity.
- c. There needs to be a group identified who will be charged with the responsibility of bringing together ALL of the various EC and systems reports over the last several

years, (CARTAC, SAGE, PWC, EC, First Bermuda etc.) setting out a clear action plan and determining a realistic budget and timeline for implementation. This exercise could be undertaken by the Government's MCS in the first instance and they could report back to the EC for confirmation of a workplan with clear timelines for implementation. Consistency in approach and a determination to complete the required changes (regardless of changes in Ministers etc.) is of paramount importance.

Processing and approval of Alien Licenses

The Efficiency Committee ("EC") met on two occasions with representatives from the Department of Immigration ("DOI"), the Department of Public Works (Estates division) ("DOPW (EST.)"), the Department of Land Title Registry and Land Valuation ("DOLTR & LV"), the Real Estate Agents in Bermuda and an attorney from a local law firm, to discuss the processing of Alien licenses for the purchase of Bermuda property. The EC had received a report from a local Real Estate company that they had several long outstanding applications for Alien licenses and had expressed concern about the length of time it was taking to process these applications. The EC was concerned about these delays because anecdotal evidence suggested that some applications had taken so long that the potential buyers had lost interest and terminated the purchase of property. Further, the EC was concerned about the loss of revenue to the Bermuda Government because of the delays in processing these applications.

All Alien Licenses are processed and issued by the DOI but involve a number of other Government Departments. The process is diagrammatically represented in Appendix Y which is attached to this report.

- All required information is first given to the DOI by the attorney who is making the Alien License application. The DOI then reviews all of the documentation to ensure that it is complete. (For example, the documentation contains a site plan of the property being purchased). It should be noted that at this stage the DOI ONLY checks to ensure the required documentation is present in the "file pack". They do NOT check to see if, for example, the sales price is reasonable or that the site plan matches the property plan description. These tasks are performed by other Government Departments.
- If all the required documentation is present, the files are forwarded (at this present time) to the BMA who perform a "World-Check" AML/ATF check on the purchaser. Please note that this step has now been moved from the BMA to the DOI, who are in the process of establishing exactly how they are going to perform this task. This may present a problem for the DOI if they do NOT have access to "World-Check". This entire process (checking the file documents and obtaining the BMA approvals), takes 2 to 3 weeks.

- Once this has been completed, The Department then sends the entire file to the DOLTR & LV who check to make sure, among other things, that the price that is being paid for the property is fair and reasonable. (Please note that during our discussions with the representatives from the DOLTR & LV, they made it clear that there had not been any occasion when the sales price has been deemed to be unreasonable). This process can take one to two weeks although they try to complete this process in 5 working days. If there are any problems identified during this step, the file is sent back to the DOI who will contact the attorney involved and ask that they resolve all issues. The file is then returned to the DOLTR & LV who complete their process and approve the file for further processing. They then return the file to the DOI.
- The DOI then pass the file to the DOPW (EST.) who check the file to make sure, among other things, that the legal description of the property coincides with the “Lot Plan” itself. The law quite clearly indicates what is required to be included in the file for this step. If there are any discrepancies the file is returned to the DOI who contact the attorney involved and seek to rectify the error or omission. Once rectified the file is then returned to the DOPW (EST) for final review and approval. On occasion the Attorney General’s Department has to get involved in a matter and this can add considerable time to process the files at this stage. The file is then returned the DOI. This process can take up to four weeks although again, the Department does try and turn these matters around in one day.
- Assuming that no objections have been raised as a result of this review, the DOI then completes the necessary paperwork and sends it off to the Minister for his approval and signature. This process usually takes 1 week. It should be noted at some point during this entire process that the DOI must notify the public by way of advertisement in the paper regarding the sale of the property.

In summary then, this entire process, assuming there are no problems with any of the initial paperwork, can take anywhere from 5 to 10 weeks depending upon the time that the files are with each Department. During discussions with those present it appeared that the volume of Alien Licenses is not normally significant although the Representatives from the DOLRT & LV disclosed that they had processed 64 transactions in 2018 and 61 transactions in 2017. There is only one person in the DOI who deals with these matters.

The following issues were identified:

- Most of the problems with the file content arise during the review and approval process in Step 4 performed by the DOPW (EST) where most of the submissions have problems. Often the description of the property does NOT agree with the Lot Plan and so the lawyers handing the application have to amend the description of the

property. However, the DOLTR & LV often receive documents that have not been properly signed or dated and these need to be sent back for correction.

- There also appears to be no log showing the date when an application is first received by the DOI, which can be shared with all departments involved in the process, to ensure that files have been sent to all appropriate departments. A “communal log “(electronic) that can be accessed all, would be advantageous.
- Much time is spent passing a large file containing all of the required documents back and forth between the different departments. That is to say, there is too much paper flowing back and forth.
- It appears that the attorneys may not have adequate check lists or a clear understanding of what is required for each application and that some form of training is required for them and the Real Estate agents. It could be that they do not clearly understand the requirements of the Immigration Regulations as they apply to Alien Licenses.
- A review of the fee charged for these licenses needs to be performed to ensure that the appropriate fee is being charged. The EC understands that the expiry date on the current fee structure is in September 2019.
- There do not appear to be any clear guidelines which set out the time it should take to process the necessary approvals at each step of the process.
- It is not clear how or when the DOI will be able to carry out their AML/ATF World-Check work which they are now expected to perform.
- Potential purchasers are walking away from transactions because of the time that it is taking to process Alien Licenses and because they can purchase property in other jurisdictions much faster than in Bermuda. The Bermuda Government is therefore losing revenue from possible sales of property.
- Processing certain matters requiring the involvement of the Attorney General’s Office can add much additional time to the process.

The following recommendations were agreed to by the Committee:

- a. Once the DOI has checked to ensure that all the required documentation has been received for an Alien License application, the information should be scanned and filed electronically in “batches” according to the requirements of each Department involved in the approval process. The DOI should then send the appropriate scanned documents to each of the various Departments involved in the approval process. Namely:
 - Department of Land Title Registry & Land Valuation (“DOLTR & LV)
 - Department of Public Works (Estates Division) (“DOPW (EST))

- b. If there any defects with respect to the content of the scanned documents then the Department concerned (DOLTR&LR or the DOPW (EST.) should contact the attorney responsible for sending in the documents and request that the required corrections be made and the documents be resubmitted directly to the Department reviewing the information).
- c. Once the documents have been approved by each of the two Departments an electronic notice of their approval should be sent directly to the DOI.
- d. If ANY of the original documents required amendments for errors or omissions, then electronic copies of those documents MUST be sent to the DOI at the time that approval is given by the particular department. The original documents must also be sent to the DOI.
- e. CLEAR timelines for EACH stage of the process must be set and valid reasons for deviating from those guidelines must be documented. This should also include timelines for files which require the involvement of the Attorney General's office.
- f. Checklists must be developed for the entire process and particularly at each stage of the process so that it is clear what needs to be done and who the responsible party is.
- g. Regular training (at least once a year) should be provided for the legal and real estate practitioners on the Island. Communication with the Bermuda Bar and the Real Estate Division of the Chamber of Commerce to facilitate these sessions, should commence as soon as possible. Examples of proper documentation and documentation that has not been properly prepared should be shown to all participants. Suggested checklists that could be used by both groups should also be prepared and shared. Representatives from each of the three areas should be involved in the training process namely:
 - Department of Land Title Registry & Land Valuation ("DOLTR & LV")
 - Department of Public Works (Estates Division) ("DOPW (EST)
 - Department of Immigration (DOI)
- h. A "communal" log book should be maintained in electronic form for all relevant departments to see showing the date on which the documents were first lodged with the DOI.

- i. The DOI should, as a matter of urgency, resolve the issue of access to World-Check to perform the work previously performed by the BMA. At present there does not appear to be a clear indication of how the DOI will gain access to World-Check. They have been told that the Library will be able to give them access but this is unsatisfactory. They need to be able to access it from their own offices where privacy and confidentiality can be retained.

Government needs to carry out a review of the fees presently charged for Alien Licenses and assess their reasonableness.

The EC gave consideration to creating a new team comprised of persons from each of the three Departments who would work side by side and thus save time on the “toing and froing” of files. However, it became clear during our discussions that the processing of Alien Licenses was only a small part of the work performed by each Department and so such a recommendation would not make economic sense.

Intellectual Property Revenues

The EC met with an Intellectual Property attorney with over 20 years’ experience in the IP industry. In his opinion the Bermuda Government could generate approximately \$1.3 million in additional revenue from “on Island” IP business. He made the following observations:

- It is his view that the current Legislation with respect to Intellectual Property in Bermuda is outdated and needs to be substantially revised. It was last revised in 1993. Other jurisdictions have more updated legislation that is responsive to the needs of the market. He noted that at present Bermuda have approximately 725 Trademark registrations down from 1,500 a short while ago. He believes many have left the Island and registered elsewhere because of more favourable legislation and more efficient processing of documents.
- He said that he is having great difficulty with applications because they are not being processed in a timely manner by the Registrar General’s Department. It is taking in excess of 7 months when it should take no more than 1 month as is the case in other jurisdictions. As a result, interested parties have gone elsewhere because they are NOT prepared to wait 7 months. His view is that part of the problem is that the organizational structure at the Registrar General’s office is not conducive to an efficient process. It appears to him that there are not sufficiently knowledgeable persons in certain positions in that Registry.
- A further problem is that the software used at the Registrar’s office (called SWORD), is outdated (15 years old). It is very labour intensive which is time consuming and inefficient. Additionally, when updates are required the entire system has to be shut down for at least two weeks while an external software support company comes to the Island to make the required updates.

- Also, certificates have to be stamped by hand which is an antiquated process. Other jurisdictions stamp and issue certificates “online” which is faster and less labour intensive.
- At present, the Assistant Registrar position, whose responsibility is for the Intellectual Properties Register, is vacant which slows down the application process.

He offered the recommendations as listed below. The EC were not in a position to necessarily concur with his recommendations since this is a highly specialized area but are of the opinion that Government should initiate a meeting between him and representatives from the Registrar General’s office to discuss his recommendations. The EC also recommends that he be asked to prepare a paper which clearly sets out what additional revenue he believes the Government can generate from his recommendations and the estimated costs, both “one off” and “on going” for making the changes he is suggesting.

- a. Remove the Intellectual Property Register and related tasks from the Registrar General’s office and make it independent as is the case in other jurisdictions.
- b. Fill the post of Assistant Registrar responsible for IP by moving the current Manager to this post, due to his expertise in the industry.
- c. Revise Bermuda’s current IP legislation (Trademark & Patent Act) immediately by adopting either the UK’s legislation or that of the Isle of Man having amended it to suit Bermuda’s specific requirements. (This is what the Cayman Islands did). He also suggested establishing a small group of attorneys from Private practice to take the UK IP legislation and adjust it to fit Bermuda’s needs.
- d. Become a member of the Patent Corporation Treaty.
- e. Replace the current manual application process with a more efficient electronic process (emails etc.).
- f. Create a Registrar of Trademarks.
- g. Replace the current IP software with more up to date efficient software. He can advise on what is being used in other jurisdictions.

The EC also agreed to have a meeting with the Registrar General to discuss this area further.

Telecommunication Expenditures

The Chairman had been approached by a Telecom Consultant from a local company named FLUENT to meet with the EC to tell them what she could do to reduce expenditures for the Government in the area of telecommunications. At present the Government spends over \$ 7.2 million on communications according to the Budget Blue Book but the Committee were not provided with a breakdown on the composition of this amount and there may be other aspects

of telecommunications, such as equipment rental, that are included elsewhere in the Budget Book.

She said that in the past when she has performed a complete review of a company's telecommunication usage, needs, charges and new products and services, she has been able to realize significant savings for her clients.

The following recommendations were agreed to by the Committee:

- a. The Committee was informed that the OPMP and Government's IDT were in the process of reviewing the area of telecommunications throughout Government as part of the Government's Reform initiative. Accordingly, the Committee agreed that while a review carried out by FLUENT would be very useful, any work by them should be done only AFTER the OPMP and IDT had completed their review, as their work could assist FLUENT should the Government decide to proceed with their services.
- b. Because the Consultant was unable to give a range of a fee for her services, due to the complexity and size of the review work, it was agreed that she should start by focusing on one Ministry only in the first instance, to gauge cost and effectiveness in producing cost savings. A clear plan and set of "deliverables" must be agreed before she commences her work and there must be "buy-in" from Cabinet.
- c. It was noted that there may be a number of "landlines" NOT in use but for which monthly fees are being paid to the telecommunication supplier. Additionally, there are still fax machines in place throughout Government most of which are not being used BUT for which a monthly line rental fee is being paid to the telecommunication supplier. Pagers and radios are also redundant for the most part but charges for them are still being incurred. It was agreed that the Junior Minister would see how best to move forward with removing this equipment and related charges as soon as possible.

Overtime

The EC met on five occasions with representatives from various Ministries and Departments to discuss the significant amount of overtime that is being worked throughout Government. According to a schedule of Overtime supplied to the EC, total overtime amounted to \$ 16.2 million for the 7 months ended October 31, 2018. This total was approximately \$ 2.8 million (21%) OVER Budget for Fiscal 2018/19. (See attached Appendix Z). As can be seen by an examination of this Appendix, the most significant overruns are in:

- Education (\$ 329,832)
- Public Transportation (\$ 681,579)
- Public Works HQ (\$ 152,730)

- Child & Family Services (\$ 238,079)
- Department of Corrections (\$ 1,843,976)
- Fire Services (\$ 764,485)

Extensive meetings were held with representatives from many areas of Government and meetings are still ongoing. Accordingly, it is not possible at this time to reach any meaningful recommendations but it is obvious that this is an area which is not properly budgeted. The Committee members are of the view that this is an area where significant savings could be made.

Government Department Staffing

The Committee also reviewed and discussed in some detail, an analysis prepared by the Government Human Resources Department with respect to Filled and Funded Vacant Positions in Government. This analysis is attached to this Report as Appendix T.

As at April 11, 2018, there were 458 “Vacant But Funded” positions within Government. If we assume an average Government employee salary plus benefits amounts to \$94,500 per year, the potential “Vacant But Funded” position costs, amount to \$43.4 million. The Committee made the following recommendations:

- a. Government should look at the “ Vacant But Funded” Positions at the half year (Sept 30,2018) and defer any further recruitment for “still vacant” positions until next fiscal year after a detailed review has been conducted to justify the continuation of recruitment for any “still vacant” positions.
- b. That all posts which remain unfilled after 3 years be abolished noting that Cabinet is the only entity that can abolish a post.
- c. That the Government develop and review on a continuing basis, a Detailed Overall Strategic Plan and ensure that every Government Ministry and Department is completely in alignment with that Strategic Plan. Departments will then have to justify their staffing needs based on fulfilling Government’s Overall Strategic Plan and that of their own Department.
- d. Government should empanel a committee to arbitrate on decisions regarding staffing resources and filling vacant funded posts, justified against service delivery requirements.

Budget Blue Book Performance Measures (SAGE REPORT)

Some of the key recommendations contained in the SAGE Report highlighted on pages 7 to 12 (or in more detail on pages 71 to 76) of that report, were discussed and considered by the Committee. In particular on page 7 of the report in the 2nd to last paragraph where they say:

“Further, senior leadership has allowed bad practices to develop and has not held individuals to account for poor performance or inappropriate actions”.

The Committee evidenced this for themselves in terms of the significant backlog in Stamp Duty adjudications with no apparent move to deal with the issue after many years of inaction. Further, the drawer full of uncashed cheques some dating back over 11 years when it was clear that there was a policy in place which required cheques to be deposited upon receipt, was a clear indication of no accountability and no proper review of issues affecting the OTC.

Many members of the Committee were familiar with the Performance Measures sections of the Budget Blue Book, which are prepared and issued on an annual basis. Members were of the opinion that in many cases the Performance Measures were either inappropriate, simply a repeat of the previous year’s results or incomplete. There was also a belief supported by the SAGE Report on pages 72, that because of insufficient proper guidance on the preparation of proper Strategic Plans for each Department, with clear measurable Goals and Objectives, these Blue Book Performance Measures:

“are not useful in either managing a given Ministry or Department or in evaluating the efficiency or effectiveness of the activities or programmes of the Ministries or Departments”. (SAGE Report).

Naturally time did not permit an in-depth review of these performance measures, but the Committee were of the view that a far more careful and reasoned review needs to be made of the KPI’s to ensure that they are relevant, measurable and that there is some form of proper accountability for unfavourable results.

Further, and as discussed in the section of the report headed “Government Department Staffing, Government needs to develop a Detailed Overall Strategic Plan. This is supported by the following excerpt from the SAGE Report on page 11 as follows:

“The need for a National Strategic Plan cannot be overemphasized. Without one, there can be no sensible basis for making the necessary difficult decisions regarding the allocation of scarce resources. Each Ministry should have a strategic plan that aligns and is consistent with the National Plan. These plans, produced by Heads of Departments under the guidance of the relevant Permanent Secretaries, should project out from three to five years summarizing the initiatives Government intends to implement, the outcomes it intends to achieve, the additional resources required, changes in existing services required to free up the resources needed, and the cross- ministry and cross-Department coordination required.”

The Committee saw firsthand how this is NOT playing out with the office of the Tax Commissioner for example where, as explained in our Interim report on this area, there was no proper plan in place to ensure sufficient staff are properly trained and in place to deal with the collection of a variety of taxes. Further, there appears to be no proper coordination between the various departments and no proper IT systems interface between the different Government departments, for the collection and monitoring of unpaid taxes. The Committee strongly recommends that the recommendations as outlined on pages 11 and 12 of the SAGE Report under the heading “Measurement & Metrics: The Era of Accountability”, be adopted as a matter of some urgency. (see pages 72 to 76 of the SAGE Report for more detail). In particular, the Guidance Notes for Business Plans and Strategic Plans need to be revised to deliver a more appropriate framework for each Department and Ministry.

It is the hope of the Committee that the Government will actively take on board the many recommendations made by this Committee and commence dealing with the poor IT systems and overall Strategic Planning inefficiency throughout Government.

E. Concluding Remarks

In the Executive Summary of this report, it was said that the topic of “Government Efficiency” cannot be thoroughly examined in a period of 12 months, by a Committee that is not working full time on the matter. What this Committee has attempted to achieve, is an overview of certain key areas of Government’s operations, to identify any “quick fixes” or “quick revenue generating recommendations” upon which the Government of Bermuda can act in a timely manner. There is no question that as identified in the SAGE Report, much needs to be done to institute a proper environment of accountability, timely decision making, collegiality with all Departments pulling together in the same direction and well-trained senior staff who can guide and direct their Departments. Central to all of this is the need for an Overall Government Strategic Plan which sets the Government’s agenda for a five-year period, but is flexible and nimble enough to be able to react to sudden events and or necessary changes. This point was emphasized in strong terms by the SAGE Report and the Committee continues to endorse this overall key recommendation. Without a plan setting out exactly where we are going, poor direction, unnecessary spending, and inefficiency will result.

It is important that the Government of Bermuda give serious consideration to the recommendations of this Committee and if in agreement, act on them in a timely manner. During our discussions, members were keenly aware, either through their own experiences or through discussions with others, that all too many reports from Committees, commissions, external professionals, internal consultants and others, have collected dust on the shelves of Government offices and have not been actioned, or only partially actioned.

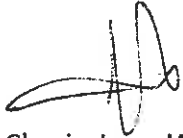
Committee Members

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Hon Wayne Furbert JP MP
Chairman

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Senator James S Jardine JP

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Cherie-Lynn Whitter

Glenn Simmons

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Richard James

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Tina Tucker

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Ianthia Fox

Karamoko Darrell Dickens

APPENDIX A

The Efficiency Committee

TERMS OF REFERENCE

March 7th 2018

1. Purpose of the Efficiency Committee (EC)

Purpose of the Efficiency Committee is to review the functioning of all government departments to recommend improvements in the efficiency of operations. To meet this objective the Efficiency Committee shall review key reports (for example, the SAGE Report 2013 and Functional Review Report September 9, 2015) to advance the recommendations that will impact positively on government efficiency.

2. Authority

This Committee is established under the authority of Section 61(4) of the Bermuda Constitution.

3. Term

These Terms of Reference shall be made effective as at **March 7th 2018** and terminate as at **December 31, 2018**.

4. Membership

The Efficiency Committee will consist of:

- Hon Wayne Furbert, JP, MP – Minister of Finance (Chair)
- Ms. Cherie-Lynn Whitter – Permanent Secretary of Government Reform
- Tina Tucker – Director of Budget
- Ms. Ianthia Fox – Senior Management Consultant
- Ed Ball, BPSU Representative
- Glenn Simmons -BIU Representative
- Senator James Jardine
- Mr. Richard James
- Karamoko Darrel-Dickens – Government IT Representative

5. Tasks of the Efficiency Committee

(See Annex I)

6. Outcomes

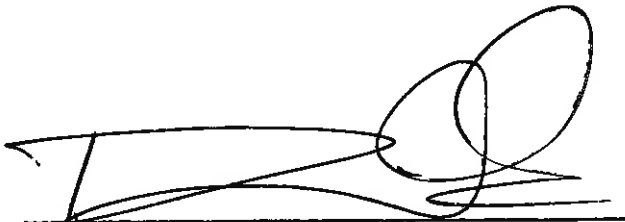
- Interim Report(s)
 - Produce recommendations for efficiency reforms within government following review of departments.
 - Produce recommendations for IT based efficiencies that will improve service delivery
 - The committee shall make interim reports to the Cabinet.
- Implementation Plan
 - Produce implementation strategy for execution of efficiency reforms that are agreed by Cabinet

7. Meetings

- Meetings will be Chaired by the Junior Minister of Finance
- The committee will strive to make decisions by consensus. If not possible votes on recommendations shall be recorded.
- Meeting agendas, action items, documents, and any other required information will be provided by the Project Manager
- Meetings will be held at the discretion of the Chair at a place and time to be determined.

8. Amendment, Modification or Variation

These Terms of Reference may be amended, varied or modified in writing after consultation with the Efficiency Committee members.



The Hon. David Burt, JP, MP
Premier and Minister of Finance
Government of Bermuda

March 7, 2018

Date

Annex I

Tasks of the Efficiency Committee

- To identify, review and recommend action on expenditure – whether capital or operating – where costs can be saved without compromising services
- To identify, review and recommend to Cabinet changes to services where costs can be reduced by reducing services
- To review business processes and practices, policies and procedures that are contributing to inefficiencies and unacceptable cost and recommend action.
- To consider, in relation to the foregoing, such topics as :
 1. Vehicle fleet management
 2. Purchasing policies
 3. Shared services
 4. Approach to policy and regulation
 5. Decision making and consultation methods
 6. Service delivery method review
 7. Resourcing levels
 8. Contracts for services
 9. Job costing
 10. Business process
 11. Compliance tasks
 12. Other issues that may come to the attention of the committee during its discussions
- To engage any stakeholders with a special interest in the work of the Committee
- To review any reports that has dealt with improving Government
- To consider expenditure items in relation to performance and efficiency
- To commission and receive reports on benchmarking, organizational efficiency, best practice procedures and methods for the internal operation of the Efficiency Committee

APPENDIX B

Dates of Meetings of the Commission

March 13, 2018
March 20, 2018
March 27, 2018
April 3, 2018
April 10, 2018
April 24, 2018
May 8, 2018
May 15, 2018
May 29, 2018
June 5, 2018
June 19, 2018
July 17, 2018
July 24, 2018
July 31, 2018
September 11, 2018
September 18, 2018
September 25, 2018
October 2, 2018
October 23, 2018
November 27, 2018
December 4, 2018
December 11, 2018
January 8, 2019
January 15, 2019
January 22, 2019
January 29, 2019
February 5, 2019
February 12, 2019
February 19, 2019
February 26, 2019
March 5, 2019
March 19, 2019

APPENDIX C

Persons with whom the Efficiency Committee Met

Office of the Tax Commissioner (three times). (Tax Commissioner and staff).

Registrar of Companies (Registrar and staff).

Office of Project Management & Procurement (Acting Director).

Finance Manager – Bermuda Police Service (Ms. Wanda Bluefort).

Ministry of Public Works – (CFO and other staff).

Department of Financial Assistance – (Mrs. P Glasford)

The Regulatory Authority (Interim CEO of the RA and PS A. Ratteray-Pryse).

Bermuda First representatives

Acting Director of Government IDT, Graham Simmons

Office of Project Management & Procurement

Permanent Secretary – Public Works & PW Representatives

Permanent Secretary – National Security & NS Heads

Permanent Secretary – Tourism & Transport & Reps

Department of Social Insurance representatives

Department of Corrections Acting Commissioner & Team

Private Sector Realtors representatives.

Representatives from the Office of the Tax Commissioner

Department of Immigration representative

Representative from the legal profession – CHW

Representatives from Public Works, Estates Land Title Registry and Land Valuation.

Collector of Customs & Comptroller

John Cunningham – IP Lawyer.

Ms. E. Schaefer from FLUENT

APPENDIX D

Solving the Property Stamp Duty Backlog

April 18, 2018

Authored by: Sen James Jardine JP and Hon Wayne Furbert JP MP

Solving the Property Stamp Duty Backlog

The Issue

It has become apparent that there are 1,590 property transactions that require adjudication in order to determine the amount of stamp duty payable and a further 2,000 transactions to be recorded as Primary Residence transactions. The resources of the Tax Commissioner's office are insufficient to clear the backlog of transactions and the situation continues to deteriorate with more files being added to the list of unresolved matters.

This has resulted in a significant, but as yet undetermined amount of stamp duty remaining unpaid for many years, in one case for as long as twelve years. It is estimated that the amount of unrecorded and unpaid stamp duty revenue could be in the millions of dollars.

For example, it was found that there is approximately \$400,000 of undeposited cheques in the Tax Commissioner's office with one cheque dating back to December 2006.

The Bermuda Government needs to urgently address this issue in order to finalize various property transactions and more importantly, to realize cash sums which it has been estimated could exceed several millions of dollars.

Possible solutions

There are a number of possible solutions to this issue both in the short term (to urgently realize cash flow) and in the long term (to put in place a system for ensuring that the backlog of transactions never reaches its current level again). In determining the suggested solutions noted below a well know experienced Bermudian property attorney who has been dealing with these issues for many

years, was consulted. His insight and possible solutions are included in the solutions mentioned below.

A. Short Term (Immediate) Solutions

- a) It is understood that in the past, the Tax Commissioner's office has utilized the services of property attorneys from the UK to help with the backlog of files, making recommendations for the resolution of various matters. In the short term, this help could be utilized again on an urgent basis. Indeed, the number of persons brought in from the UK could be increased from the one person utilized in the past to a greater number.
- b) Hiring additional staff in the Tax Commissioner's office to deal exclusively with the adjudication of property stamp duty files could also be considered in conjunction with a) above.
- c) Government could consider hiring a small group of active property attorneys from Bermuda law firms to work together as a "working group" in order to resolve the huge backlog of files. It is not thought that these attorneys would have a problem working together on property files from the different firms. Where there is a conflict (that is to say where one of these attorneys has a file presented where he/she worked on that file), they would simply recuse themselves from the session dealing with that particular file.

Our view is that the firms involved might be willing to do this work for a much reduced fee because it is in their best interests to clear the backlog. We are suggesting a very modest fee paid on an hourly basis or a fixed fee per month per attorney.

B. Medium to Long-term Solution

- a) There is no question that in the medium to long term (and even in the short term as suggested in A), the Tax Commissioner needs more qualified experienced staff to deal with the determination and collection of stamp duty payable on property transactions. Accordingly, a sufficient number of staff needs to be employed to handle the volume of work going forward.
- b) The suggestion has been made that the Tax Commissioner's office also empanel a Board such as the DAB, with the express power to meet monthly and adjudicate on property matters just as the DAB does on matters that come before it each month.

This Board would be made up of attorneys from industry as well as a representative(s) from the Tax Commissioner's office. We are not familiar with the powers that the Minister currently has in order to set up such a Board, but believe that this could be done with a minor amendment to existing legislation giving him the power to do so. (Perhaps under Section 22 of the Stamp Duties Act).

Conclusion

Dealing with this issue is a matter of urgency because not only does it mean that significant funds are due to be paid to the Bermuda Government, (where cash is needed to fund various initiatives), but it also does not give a very good impression to the general public (some of whom are non-Bermudian), of Government's "efficiency" in dealing with property stamp duty matters in a timely manner.

APPENDIX E



Ministry of Finance

The Efficiency Committee (“EC”)

Report on the Office of The Tax Commissioner

Final Report

The Hon. Wayne L. Furbert, JP, MP

Jr. Minister of Finance

May 5, 2018

Overview

During the Month of March, 2018, the EC met with employees from the Office of the Tax Commissioner (the "OTC"), to discuss the situation with respect to the collection of certain tax revenues and operations generally within that Department. The EC was anxious to see what could be done to deal with the large amount of outstanding Accounts Receivable and in particular the significant number of them that have been outstanding for one year or more. As a result of those discussions and based on written comments from the OTC staff, as well as the EC's own observations, the following is a summary of findings and recommendations for addressing some of the problems facing this Government Department.

A. CURRENT SITUATION

1. **Accounts Receivable Processing** – As evidenced by the EC, the listing of existing payroll tax accounts receivable, has a large number of credit balances where the revenue has been recorded but due to problems with the IT systems, (as a result of sudden changes to the calculation of Payroll Taxes introduced in 2017), charges against those credits must be manually processed which takes a great deal of time and can lead to an inaccurate picture of total Payroll Taxes Receivable at any particular point in time..
2. **Accounts Receivable Collections and Debt Policy** – During the EC's review of information supplied by the OTC and by other persons, it became clear that there is an unacceptable level of Bad Debts. (The Bad Debt provision at March 31, 2017 of \$126 million represents approximately 45% of all Accounts Receivable at that date). It is clear that there is an insufficient number of staff available to deal with the review, and subsequent collection of long overdue Accounts Receivable. Further, the existing accounting system is inadequate to provide the necessary information and detail to assist with collections. This was discussed in the CARTAC Report of October 2015.
3. **Ineffective Legislation** - Currently, there is ineffective legislation in place to drive or support the required level (*filing rate on due date and the collection rate*) of compliance with our Tax Legislation by Bermuda taxpayers.

Accordingly, there is little action taken to deal with the collection of tax arrearages.

4. **IT Platform** - As confirmed by the staff from the OTC and by CARTAC in its report to the Government on October 12, 2015, the current IT Platform is ineffective and inefficient and does not provide a simplified means of analyzing, collating and/or automatic generation and notifying those entities not in compliance with the Tax Legislation. Further, many taxes collected by the OTC are tracked MANUALLY which is very labour intensive and an inefficient use of staff resources. (See also SILO's of Information in 6 below).
5. **E-Filing of Tax Returns** – At present, the use of e-filing for quarterly Payroll Tax is not in wide use (only 34%). This means that a great number of Payroll Taxes are still being submitted manually, requiring time to manually input and check the calculation of the taxes paid.
6. **Silos of Information** – Many different departments throughout Government are responsible for licensing and determining the tax for a variety of Government services. None of these systems “interact” with each other such that there is no central data base of information which can be shared with all departments. This results in difficulties for the OTC when dealing with the collection of these taxes and is very inefficient.
7. **Tax Compliance** – There is an insufficient number of staff assigned to the audit of tax compliance (desk top and on-site) to ensure that taxpayers are adhering to the policies and laws established for the payment of taxes. The **Caribbean Regional Technical Assistance Center (CARTAC)** in their October 2015 Report on Reforming the Tax System in Bermuda noted that the international standard is that 90% of the taxpayers file and pay on the due date. However, in the Bermuda context, the domestic filing rate is 66% while the corporate service tax compliance ranges from 77% to 81%.
8. **Adjudication of Stamp Duty on Property transactions**- See separate Report entitled “Solving the Property Stamp Duty Backlog”.

B. RECOMMENDATIONS

Short term recommendations

1. **Staffing needs** - It is recognized that when the work of the Tax Reform Commission has been completed that there may be recommendations for significant changes to Bermuda's Tax Regime. Accordingly, it is not appropriate to be making any long-term recommendations to existing taxes as these taxes may disappear or be revised in a significant manner. However, it is important that cash be generated immediately from the large number and dollar value of existing old accounts receivable balances. It is therefore necessary, as a matter of some urgency, to appropriately staff the OTC, so that this work as well as the work of Compliance Monitoring can be undertaken. Staff must therefore be hired or temporarily transferred from other Government Posts (seconded) as follows:

- To aid in the review of old accounts receivable and make calls to collect outstanding balances as well as determine appropriate repayment plans where necessary.
- To assist in the issuance of collection letters and compliance with write off procedures.
- To assist with the Compliance of taxpayers in the calculation of Payroll and other taxes.
- To assist with "on-site" inspections of taxpayers to ensure compliance with the tax legislation. This is particularly important now with the recent change to the "Notional Salary" concept to a more "all encompassing" cash distribution tax regime.

The number of persons required for this work will need to be determined by way of discussion with the OTC. It may be that in the short term, outsourcing the collection of some of the outstanding amounts to private enterprise may be considered, but much will depend on any changes which can made to existing legislation. (See below). A summary of how the OTC could analyze and target certain accounts receivable has been discussed with them at one of the Committee's meetings.

2. **IT Needs** – Based on discussions with OTC staff as mentioned above and supported by the CARTAC Report from 2015, the IT systems platform is in need of complete replacement. While this should not be attempted until decisions have been made with respect to the recommendations of the Tax Review Commission, there are some urgent short-term needs. The OTC needs to have the present system of recording charges “fixed” so that entries with respect to charges relating to credit payments can be automatically completed by computer software. This would ensure the accuracy of accounts receivable information and would dramatically reduce the time spent by OTC staff in manually dealing with this issue.
3. **Onsite Tax Compliance** – Immediately put in place a program of on-site compliance audits to ensure that the recent changes to the former “Notional Tax “regime are being properly adhered to by taxpayers. The audit programs should be focused primarily on the highest risks. Focus should first be on legal services, accounting/consultancy, all retail establishments (i.e. bars, movie theatres, betting services), restaurants, wholesalers and medical services including dentists.
4. **Bad Debt Provision review** - The OTC must review all accounts that are listed as “provision for bad debts” to determine through analysis which of these accounts are deemed collectible but without an OTC authorized payment plan in-place. They should then direct these to the Debt Enforcement Unit in the Attorney General’s Chambers for action. Further, any accounts receivable which are determined to be truly uncollectible (e.g. the company has ceased operations) should be written off through the usual approval process. This is necessary so that Government can determine a realistic picture of how much can be actually collected.
5. **Legislation** - Legislation needs to be enacted or amended to accomplish the following:
 - Authorize the OTC to access information from those Government Departments responsible for issuing Licenses, Permits and those that collect Fees.
 - provide the OTC with the capacity to influence compliance in both domestic and corporate services tax positively. This should also provide for the power to confiscate assets in order to settle tax indebtedness.

- Secure the rights by way of legislation for the OTC to order any establishment to provide documents associated with a delinquent/non-compliant taxpayer. Such legislation could ensure that any business that is non-compliant with the Bermuda Tax Legislation, will not receive any services from the Bermuda Government associated with licenses, permits, approvals, imports, exports, etc. *(if supported by the Legislation).*
6. **Filing of e-tax returns.** -At present there is a low number of tax filings (only 34%), being made using the on-line filing process. As a result, much time is spent dealing with the manual calculation and input of quarterly payroll tax remittances. In order to reduce the time spent processing tax returns manually it is recommended that a higher number of taxpayers be required to pay their payroll taxes on-line. Accordingly, we recommend that the Minister of Finance should issue a release stipulating that all tax payers over a specified dollar amount of annual payroll taxes will be required to make payments via e-filing commencing by a specified date.

Medium to Long-term Recommendations

1. **IT Systems** - Probably the most important medium to LT recommendation, is that the Government needs to invest in a completely new Tax system. The OTC handles the bulk of the billing and collection of taxes in Bermuda and their tax system is woefully inadequate. Many taxes raised by other departments of Government are tracked manually by the OTC which is inefficient and open to error. The CARTAC Report of October 2015 contained many useful recommendations one of which was that the Government must have a properly functioning tax billing and collection system. CARTAC have advised the OTC that such a new system would cost between \$5 and \$15 million. It is believed that a more “off the shelf” solution would be at the lower end of the range. It is advisable for the Government to re-read the entire CARTAC report because there are many other issues to consider here such as the need for the different

Government departments to remove all existing organizational and functional silos and work together in a more collaborative way.

2. **TAX HUB** - Consideration should be given to establishing the OTC as the major hub for the collection of all Government taxes. This needs to be considered together with 1 above.
3. **TAX CERTIFICATION** - It is recommended that all entities that are not compliant with Bermuda Tax Legislation (valid Tax Certification) will not be permitted to operate in Bermuda (an entity may receive a Tax Certification after satisfying the OTC with a back-tax repayment plan). This will help to ensure that all businesses pay their taxes as required by law.
4. **ASSISTANCE** – It is recommended that CARTAC or some alternate assistance be employed to assist Bermuda in the reorganization of the OTC. This would include:
 - Reorganizing of the OTC by functional units with associated budgets; separate central function (Headquarters) and operational (Field operations) to enhance the performance management effectiveness of the OTC, thus positively impacting the efficiency of the department.
 - Reorganizing all tax collection functions to the OTC (beginning with the Land Tax). All staffing associated with the reorganization with the assistance of CARTAC (or some other organization), will be assessed and budgeted; all associated documentation (job description, contracts, policies, procedures, processes, work-instructions, etc. will be developed).
 - Developing a reporting processes including key performance indicators (KPIs) Service Level Agreement (SLAs), 3Yr Strategic Plan and Budgeting, etc.
5. **MARKETING** - Develop a marketing plan for both the public and business owners to understand why “Accountability” will be a critical component of the foundation for rebuilding a culture where persons or entities behaving ‘irresponsibly’ will be neither acceptable nor tolerated.
6. **TAX AMNESTY PROGRAMME** - Government should implement an amnesty programme providing eligible tax payers with a defined timeline

to settle the total amount due in return for forgiveness of the late penalties that have been assessed as part of long-outstanding tax bills. This will hopefully mean that delinquent taxpayers can return themselves to full compliance with the tax laws and also provide cash flow for the Government.

7. **TRAINING** - Staff at the OTC have 10 to 30 years' experience in tax collection. However, training always plays an important part in the continuing development of staff to bring them up to date with new ideas and methods of tax collection, as well as making them aware of the AML/ATF requirements in Bermuda. It is recommended that sufficient training be provided to the staff at the OTC to ensure their continued development. This will ensure that the department is aware of the latest developments and requirements of the law.

C. CONCLUDING COMMENTS

It became very clear to the committee during the brief discussions that we had with the OTC that they are under considerable pressure to deal with the collection of and compliance with a variety of taxes, in particular Stamp Duty and Payroll taxes. A lack of staff, poor collaboration with other departments and inadequate IT systems, has meant that Bermuda is NOT receiving its taxes on a timely basis and in an efficient manner. It is imperative that the Government move swiftly to deal with these issues in order to ensure that cash is collected promptly and that ALL taxpayers are paying their fair share of taxes. The recommendations of the Tax Reform Commission may see further changes to Bermuda's system of taxation which will place a further burden on the OTC.

The OTC is absolutely key to the billing and collection of the bulk of the Government's revenue and it is essential that it run efficiently and effectively. We recommend that immediate priority be given to this area of Government in accordance with the recommendations outlined above. Further it is essential that the October 2015 CARTAC Report be carefully considered together with the recommendations therein as there are many other issues addressed in this report which deal with efficiency within the Government.

APPENDIX F

Office of the Registrar of Companies

May 21, 2018

Authored by: Hon Wayne Furbert JP MP and Sen. James S Jardine JP

Office of the Registrar of Companies

Overview

The Efficiency Committee (“EC”), met with representatives from the Office of The Registrar of Companies (“ROC”) on May 15, 2018 to discuss the operations within that Department. In particular the EC was anxious to understand the various processes within the department, including any shortcomings with their IT systems which could affect the efficient operation of the Department. As part of that process, the EC reviewed pages B-117 to B -120 from Head 39 of the Budget Blue Book, for the Consolidated Fund of the Bermuda Government, for Fiscal 2018/19. Those pages contained details of the Department’s overall Objectives, their budget for fiscal 2018/19 (Revenue and Expenditures), and Performance Measures.

Current Situation

1. ***IT Systems and Project Control***– There was much discussion regarding the present state of the IT systems and in particular the time and inefficient method of issuing the various documents from the ROC office. A very limited amount of automation of processes is taking place at this time. The ROC staff representatives said that a new IT system had been approved and a vendor had been selected. The installation time to full operational use was expected to be 18 months to 2 years.

There is a concern among the EC members, that this project is not being properly managed and that the scope of the project may not be as complete as it should be. That is to say, here may have been insufficient stakeholder involvement (both internally and from other areas of the Government) and accordingly, there may be insufficient detail on exactly

what needs to be produced (outcomes) at the conclusion of the project. Further, there is no written documented VISION, setting out what the Department sees as its needs and where it wants to position itself, both now and in the future

Insufficient staffing levels for the completion of this project on a timely basis may also be an issue here, because the timelines, (particularly where the scanning of many years of documents must be completed), are vague.

Also, there does not appear to be any “Champion” guiding and driving the project which is absolutely critical to ensure that:

- Timelines are adhered to.
- There is no “project creep”.
- Budgets are adhered to.
- Regular reporting to the Registrar and or other responsible persons is taking place.
- Various waypoints are developed to assess the results of the system’s implementation to ensure that the system is delivering results as scoped in the original RFP.

2. ***Accounts receivable*** – As at March 31, 2017, accounts receivable for the ROC Department totaled \$ 8.9 million. We were not given any statistics regarding the age of these accounts receivable, but it became apparent from discussions with the ROC representatives, that there is a large number of old accounts receivable that should be written off simply because many of the companies to which these accounts receivable relate, have been effectively struck off.

3. ***“Not Sufficient Funds” Cheques*** – During our discussions with the ROC, it became apparent that there are a large number of Not Sufficient

Funds (“NSF”) cheques from law firms and CSP’s. Again, the ROC representatives did not know precisely how many of these NSF cheques exist, how old they are or the total dollar amount outstanding.

4. ***Strike Off of Companies*** – When a company is to be struck off, the ROC staff notify the OTC, the AG, the BMA and the Banks. They then wait for instructions from the OTC before writing off any old accounts receivable and removing the company from their system as an active company. At present, there is little feedback from the OTC and accordingly, many of the companies that have effectively been struck off are still on the system at the ROC’s offices, some with outstanding Accounts Receivable.
5. ***Regulations*** – The ROC representatives said that there are no specific REGULATIONS applicable to the functions carried out by the ROC. They were of the view that if proper regulations were enacted, it would help the Department to more effectively enforce various requirements. This is because they could point to such regulations when persons fail to carry out the necessary procedures requested by the ROC and enforce compliance.
6. ***Facilities***– The ROC representatives said that the bathrooms and certain other facilities in their department were inadequate and requested that something be done to address these issues.
7. ***New ICO Legislation*** – We discussed their staffing needs particularly with respect to the introduction of the new ICO legislation this month. At present, they anticipate having sufficient persons in place to process this new business. However, it became clear that if the number of ICO’s become significant that the ROC will NOT be able to cope with such a volume of new business. There is NO CONTINGENCY plan in place, to deal with this situation should it arise.

8. ***Other Staffing issues***- The ROC representatives said that not all of the budgeted positions for the Department have been filled as yet and that they were experiencing some difficulty filling the needed posts because the salaries being offered were too low.

They also acknowledged, that some of the positions were only temporary for two and a half years and that this will result in decreased costs in the future. This is due in part to efficiencies envisioned as a result of the implementation of the new IT system. Additionally, because the short term help needed to scan all the old records will be completed at some point, some of those staff will no longer be required. Again, this should all be part of a proper scoping of the project, as mentioned in 1 above.

9. ***Performance Measures*** – It became clear during the discussion, that the ROC staff are not involved in the determination of the Performance Measures as outlined on page B-120 of the Blue Budget Book. Additionally, some were not aware of them, or what the numbers meant with respect to the Performance Measures. There was some question as to their accuracy in terms of the numbers contained therein and just exactly what was being measured.
10. ***Wire payments*** – During the meeting, we discussed the process for receiving and depositing funds received , particularly as it relates to the annual company tax. Some companies (CSPs) are sending funds by way of direct wire transfer to the Government which makes it more efficient in terms of recording the payment of the annual company fees. However, there are still a great number of companies (CSPs) who send individual cheques by mail for processing. The ROC staff said that it would be more

efficient (less time consuming) for them, if ALL the major companies would send the annual payments by way of wire transfer.

Recommendations

1. There needs to be a “Champion” appointed for the implementation of the proposed new IT system to immediately take charge and ensure that:
 - An appropriate and current VISION for the Department has been completed.
 - The project has been properly “scoped” to present day needs and to ensure that all appropriate stakeholders have been involved and if not, to ensure that a revised project RFP is prepared. Where contracts have been signed, an immediate revised scope should be sent to the contracting party for a revised costing.
 - An appropriate Budget and timeline have been established.
 - Appropriate IT staff have been assigned to project manage the project.
 - There is no “project creep”.
 - Budgets are adhered to.
 - Appropriate waypoints for determining the progress of the project are established and that appropriate and regular reporting is made to the Government authority responsible for this Department.
2. A current AGED listing of outstanding Accounts Receivable needs to be prepared and any accounts that should be written off (due to the fact that the company should be struck off or has been struck off) are written off and the accounts revised..

3. A list of all Accounts receivable representing all NSF cheques should be prepared immediately. All companies whose cheques did not clear (NSF) must be approached and replacement cheques must be prepared and delivered to the ROC immediately. Additionally, the ROC needs to put in place a proper procedure to ensure that in future, NSF cheques are followed up in a timely manner and that if problems are encountered in the collection of funds, that the AG's chambers be involved early on to assist with the collection of funds.
4. A more efficient process must be developed as a matter, to ensure a prompt response from the OTC regarding confirmation that companies that are due to be struck off, can indeed be struck off and then dealt with on a timely basis by the office of the ROC.
5. The ROC should discuss with the appropriate Government Department (AG's Chambers) the need to prepare appropriate Regulations for dealing with the requirements of the ROC as it relates to their interaction with Law Firms and CSP's. The ROC should prepare a detailed memorandum setting out their requirements and deliver it to the AG's Chambers for the preparation of appropriate legislation.
6. A report should be prepared by the appropriate Government Department (Public Lands & Buildings), identifying those facilities at the ROC requiring attention. (Bathrooms etc.).
7. A Contingency Plan should be developed in order to deal with the need for extra staff to cope with a possible significant number of new ICO's as a result of recent legislation in this area.

8. A complete review of the Performance Measures established for this department and as outlined in the 2018/19 Budget Blue Book, should be undertaken, involving the staff of the Department. The EC believes that it is important for the sake of developing a proper sense of direction and goal setting, that clear and well understood Performance Measures be established for this and all other Departments within Government.
9. The EC recommends that all companies with annual revenue payments to the ROC above a certain level, be required to make all payments by way of wire transfer and not mailed in or hand delivered. This would result in a more prompt collection of funds and increase the Department's efficiency in collecting and processing the annual Company Fees.

Concluding Comments

As with the OTC, it became clear that poor IT systems, poor connectivity and interaction with other Government departments, is seriously hampering the efficient operation of the Department of the ROC.

We were impressed with the knowledge and a desire to perform at a high level, displayed by the ROC staff with whom we met. Strong leadership is required to guide the Department, one of the most important in Government, because of its interaction with the International business community. It, like the BMA, is one of the important "faces of Bermuda" with whom those wishing to do business in Bermuda interact.

Some of the recommendations noted above, if properly carried out, should result in additional funds being quickly generated for the Government. (NSF cheques).

APPENDIX G



GOVERNMENT OF BERMUDA

Framework Agreements

Approach

- Consult or engage
 - Budget Office
 - Accountant General
 - Third party

Approach

- Understand the current situation
 - How much is being spent
 - On what
 - With whom

Approach

- Identify opportunities for savings and efficiencies
 - Improved terms (largest and most important suppliers)
 - Reduce number of vendors (aggregate)
 - Contract compliance

Approach

- Spend analysis by category
 - Collect data
 - Cleanse
 - Enrich
 - Classify transactions/vendors
 - Spend review/analyse opportunities

Approach

- How is the spend spread across suppliers?
- Opportunities for internal collaboration
- Engage stakeholders
 - Service needs
 - Why do they prefer particular vendors

Approach

- What contracts are already in place and when are they due to expire?
- Opportunities to consolidate spend on contracts with a smaller number of suppliers leading to a higher discount

Approach

- Monitoring progress
 - e.g. Spend with small and medium sized local businesses
- Report savings

Targeted Areas

- Key commodities/services
 - Vehicles
 - Office equipment, supplies & maintenance
 - Internet
 - Computers, software, supplies & services

Targeted Areas

- Security
- Uniforms
- School supplies
- Toiletries & food (rest homes & other facilities)
- Office Cleaning

Status of Implementation

- Mobile services
- Previous efforts (learn the lessons)
 - Tires
 - Paper

Projections for Delivery/Implementation

- Implementation of Code - June 30
- Framework agreements for key commodities – 3rd quarter

From OTC 4/4/2018

Office of the Tax Commissioner

Staffing levels at the Office of the Tax Commissioner (OTC) have not increased with the taxpayers that they are intended to service and monitor. Current resources (staffing, IT systems, network and equipment) are not sufficient to efficiently manage the 7,000 taxpayers registered for payroll tax. OTC is also charged with collecting:

- Land Tax on approximately 34,000 units
- Corporate Service Tax
- Hotel Occupancy Tax
- Stamp Duty
- Timesharing Services Tax
- Timesharing Occupancy Tax
- Betting Tax
- Cruise Cabin Tax
- Cruise Departure Tax
- Foreign Currency Purchase Tax
- Financial Services Tax

Many of these taxes are tracked manually at this present time. It would be prudent to automate these taxes on a new IT system rather than spend additional funds including them in the old system.

Staff at OTC have worked diligently to facilitate the changes directed by Government. On a consistent basis for the past few years OTC has not received sufficient lead time to effectively prepare for changes to the major source of government income for the new fiscal year. In 2017 the payroll tax structure had a major change from a flat tax to a progressive tax. In the OTC's opinion, a reasonable time period needed to be ready to go live with the changes should have been approximately nine months, however the actual lead time given was two months. As a result, OTC was:

- Not adequately prepared – understanding, couldn't direct system change
- Inundated with customer queries
- Unable to validate customer accounts or have clarity on related debt

Normally in March we have validated all past quarters and taxpayers have received and are cleaning up their accounts from assessments. For the current fiscal year no quarters have been validated and no assessments have been done. This will affect the delivery of our year end file to the Accountant General which will potentially delay the Consolidated Fund's financial statements. Payroll tax has a major effect for the Bermuda Government.

Legislation and policy

As the department collecting the majority of government's revenue, OTC should be made the hub for all government business in order to institute control over revenue. Most businesses require some form of certification or license issued by the Government in order to do business in Bermuda such as:

- Annual license fees
 - Health
 - Liquor
 - Food Preparation
 - Vehicles
 - Company fees (Registrar of Companies and BMA)
 - Boat
 - Fishing
 - Dog
 - Betting (currently sending requests prior to license renewal)
- Work permits (currently have a working relationship)
- Planning
 - Plan approval
 - Inspection
- Right to operate in legal system
- Human Resources – hiring
- Customs – import of goods

Desired Outcome

Increased compliance with filing and payment of taxes and encourage debtors to agree payment plans and remain compliant.

Required inputs

- A policy regarding information sharing with OTC or between departments
- A policy to direct that IT systems at all certificate or license issuing departments that are interfaced to an OTC IT platform that is hard coded to disallow business without Tax clearance. This needs to be automated to prevent collusion allowing businesses to remain noncompliant.
- Amendment of legislation to require all businesses to have a current quarterly compliance certificate/letter
- Amendment of legislation to allow the OTC to send asset confirmations to all banks and law firms as a regular part of business and not only as a requirement for criminal investigation.

Outcomes

Q1

- Policy document for IT agreed

- Policy document for information sharing agreed, issued to all departments and publicized
- Legislation drafted

Q2 – Q4

- Access to financial information will ease discussions on payment amounts and allow quicker collection as well as a clear indicator of whether a tax is uncollectible based on current assets of the taxpayer.

IT System

A robust, effective IT system is one of the major resource requirements for OTC. In order to be effective in tax administration, flexible for tax changes and to have reporting for strategic oversight advances must be made in current system capabilities.

Current

The current system capabilities of OTC are below basic requirements for reporting and in some instances normal operations. Many taxes are tracked manually in Excel. A CARTAC review identified that the “new” system being designed by OTC was obsolete when the project began as a result of implementation delays and new system development of off the shelf products inclusive of best tax practices. Staff have been developing and testing corrections and enhancements to the current system for the land tax module since 2013. It is no longer feasible to continue to spend money on a system that cannot effectively manage a fairly straight forward billing system or to attempt to develop a complex payroll module when few successes have been enjoyed with the system and concerns about stability exist.

Required Inputs

A commercial off-the-shelf system best suited for a small country with multiple types of tax. The move to a new system should not be predicated by the type of tax reforms that may be advised but by the need for the system and the flexibility of the system to manage whichever taxes may be required.

A new system as advised by CARTAC could cost between \$5M and \$15M and those that are more suited to Bermuda would be on the lower end of the spectrum.

Arrears Management

Collections

Current

The Debt Collection section has 3 positions - Debt Manager, Debt Officer and Debt Administrator. The Debt Administrator was shared with Stamp Duty since 2016 and full time since November 2017. In 2016

2 and ½ full time equivalent staff collected \$5M on payment plans. An increase of staff in Debt Management will increase the collectible arrears.

Desired Outcome

The implied major objective at this time for the Debt Collection Section is to reduce receivable balances as quickly as possible beginning with the over \$50K debtors. In order to do this effectively a combination of the methods, increase Debt Management staff and outsource defined collection, is ideal. Initially, the staffing compliment should be increased. Requiring compliance with tax responsibilities is the quickest, least costly method to reduce debt. Business operators will come to OTC to establish payment plans instead of Debt Management staff having to find them.

Payroll tax is a self-reporting tax requiring understanding of the governing legislation. Immediate distribution of payroll debt for collections will cause an added burden to the current staff as taxpayers will have questions and concerns that the contracted vendor will not be able to answer. They will direct taxpayers back to OTC or attempt to gather the information for the taxpayer. It makes more sense to develop the expertise in house.

Required Inputs

Based on the requested policy being implemented OTC can use additional staff to allow increased follow up on payment plans which is a main activity required to have increased payment plan compliance, issue compliance letters and reporting. This is the preferred path as legal tends to return lower monthly payments than can be secured by Debt Management.

- 1 additional officer – issue compliance letters
- 2 additional officers – follow up calls payment plans and current debt, resign payment plans
- 2 additional administrative staff – manually tracking information from calls and payments¹
- 1 assistant manager – follow up on new debt – ISF checks, submission of returns without payment

This makes time available for experienced staff to focus on increasing active collection by meeting with taxpayers to sign new payment plans, prepare letters before action and the appropriate intense file review² required to transfer files to legal³. This should increase tax collected on arrears between \$8M and \$12M internally and \$2M to \$5M externally (less an agreed percentage for fees).

Expected Outcomes

¹ The system should be designed to provide a more automated way to track information and leverage information already received electronically. Staff can be temporary or moved to more Compliance related activities.

² The system should be designed to provide the basis for this review which will then be reviewed. Currently this is performed manually.

³ This is the predicate activity to transfer files to legal, either at Attorney General or a contractor.

Q1 – train additional staff and begin aggressive follow up. This will protect current collections and potentially re-engage lapsed plan compliance. Establish Debt over \$50k taxpayers as priority.

Q2 – Increase number of payment plans in accounts over \$50k and shift new plans to priority list for calls.

Q3 – By the end of this quarter all taxpayers with debt over \$50K should have either an active payment plan, be transferred to legal or identified for write-off.

Write Off

All tax debt considered to be uncollectible by law (e.g. no attempt to pursue the debt in 20 years per Limitations Act 1984) or that is not cost effective to collect should be written off. Please note that tax write off should not be considered an extinguishment of debt. Write off in this instance means to remove it from active collection so that resources can be focused on collectible debt. The amount considered uncollectible would be moved to a suspense account so that it can be returned to active receivables if the debtor's financial situation changes.

Desired Outcome

Reduction in arrears and the corresponding Debt Provision which will allow efficiency in collection.

Current

The write off file is provided to the Ministry of Finance yearly as a part of the Consolidated Fund financial statement year end process. To our knowledge taxes have not been written off for many years. As a result resources have been redirected to needed areas.

Required Inputs

Compliance staff (Inspectors) were initially intended to manage a volume of 1,000 taxpayers each. Three staff are currently managing almost 2,000 each. This along with having vacant posts over the last two years has caused all staff in the Compliance area to shift attention to taxpayer management and has removed the focus from auditing. The Compliance area needs an increase in staff in order to properly perform their mandate and to increase the effectiveness of OTC in relation to ensuring that we focus on collectible debt by identifying and removing uncollectible debt from the current receivables.

Efficiencies realized by instituting the Government enforcement policy would reduce the number of additional staff required. Taxpayers will come to us.

Inputs	With Enforcement Policy	Without Enforcement Policy
Inspectors - manage taxpayer accounts	1	4
Examiner (Auditors)	2	5
Audits	50 collectible assessments	80 higher A/R
Laptops	Current staff + above	

Arrears Management

Collections

Summary

Current								
Job Title	Main Duties							Average Collections
	Debt Mgmt.	Court Proceedings	Analysis and Reporting	Admin Duties and Staff Supervision	Debt Investigation	Receipting	ISF	
Debt Manager	50%	30%	15%	5%				\$2M
Debt Mgmt. Officer	60%	30%	10%					\$2M
Debt Collector	35%	10%			10%	35%	10%	\$1M

- Total Payment Plan collection in 2016-17 - \$5M
- **Yellow highlight** – Duties easily shifted to new staff to allow existing staff to focus on debt management

Proposed								
Job Title	Main Duties							Payment Plan Corrections
	Debt Mgmt.	Court Proceedings	Analysis and Reporting	Admin Duties and Staff Supervision	Debt Investigation	Receipting and Reporting	ISF	
Debt Manager	60% ¹	30%	5%	5%				\$2M
Debt Mgmt. Officer	70% ¹	25%	5%	5%				\$2M
Debt Mgmt. Officer (2) ²	100%							\$2 – 3M
Debt Mgmt. Officer (3) ²	100%							\$2 – 3M
Debt Collector	95% ¹			5%				\$2 – 2.5M
Debt Amin (1) ²		10%				65%	25%	
Debt Amin (2) ²		10%				65%	25%	

1. Total projected collections \$10M to \$12.5M
2. Duties shifted to new staff members allow existing, experienced staff to increase number of plans and drive more unresponsive taxpayers to court or identify them as uncollectible.
3. New staff added to manage payment plans and renewals.
4. ~~Strikethrough~~—moved to another column. Debt Investigation consolidated with Debt Management.
5. **Bold** – added from another column.

Current

The Debt Collection section has 3 positions - Debt Manager, Debt Officer and Debt Administrator. The Debt Administrator was shared with Stamp Duty since 2016 and full time since November 2017. In 2016 2 and ½ full time equivalent staff collected \$5M on payment plans. An increase of staff in Debt Management will increase the collectible arrears.

Desired Outcome

The major objective at this time for the Debt Collection Section is to reduce receivable balances as quickly as possible beginning with the over \$50K debtors. In order to do this effectively a combination of the methods, increase Debt Management staff and outsource defined collection, is ideal. Initially, the staffing compliment should be increased. We deem this the method that will provide the quickest return on payment plans. Payroll tax is a self-reporting tax requiring understanding of the governing legislation. Immediate distribution of payroll debt for collections will cause an added burden to the current staff as taxpayers will have questions and concerns that the contracted vendor will not be able to answer. They will direct taxpayers back to OTC or attempt to gather the information for the taxpayer. It makes more sense to develop the expertise in house.

Required Inputs

Six additional staff will allow increased follow up on payment plans which is a main activity required to have increased payment plan compliance. This is the preferred path as legal tends to return lower monthly payments than can be secured by Debt Management.

- 3 additional officers – follow up calls, resign payment plans
- 2 additional administrative staff – manually tracking information from calls and payments¹
- 1 assistant manager – follow up on new debt – ISF checks, submission of returns without payment

This makes time available for experienced staff to focus on increasing active collection by meeting with taxpayers to sign new payment plans, prepare letters before action and the appropriate intense file review² required to transfer files to legal³. This should increase tax collected on arrears between \$8M and \$12M internally and \$2M to \$5M externally (less an agreed percentage for fees).

¹ The system should be designed to provide a more automated way to track information and leverage information already received electronically.

² The system should be designed to provide the basis for this review which will then be reviewed. Currently this is performed manually.

³ This is the predicate activity to transfer files to legal, either at Attorney General or a contractor.

Required Skill sets

- Good verbal and written communication skills
- Ability to be firm and candid
- Excellent organizational skills
- Ability to work independently
- Time management
- Result oriented/goal driven
- Government departments with staff easily assimilated – Courts and Accountant General
- Previous experience in debt collection
- Microsoft Office – Word and Excel

Expected Outcomes

Q1 – train additional staff and begin aggressive follow up. This will protect current collections and potentially re-engage lapsed plan compliance. Establish Debt over \$50k taxpayers as priority.

Q2 – Increase number of payment plans in accounts over \$50k and shift new plans to priority list for calls.

Q3 – By the end of this quarter all taxpayers with debt over \$50K should have either an active payment plan, be transferred to legal or identified for write-off.

STAMP DUTY SECTION PLAN FOR BACKLOG CLEAN UP

The Stamp Duty section currently has a backlog of just over 1,600 applications for stamp duty adjudications. A Contractor has been hired to assess the stamp duty payable in each case, with the goal of eliminating the backlog within a 6 month period, as mandated by the Minister of Finance. To date, approximately 100 of the assessments have been completed and letters providing notice of the amounts payable have been sent to the respective law firms. The billings for these files from April 13, 2018 to date totals approximately \$618, 155. A spreadsheet has been created to provide "a percentage of completion" document to track the progress of the project.

With regards to the Primary Family Homestead (PFH) Designation certificates, there is currently an estimated backlog of 1,800 applications. A Contractor has been engaged by OTC-Stamp Duties to eliminate the backlog, again within the 6 month time period set by the Minister. In addition to dealing with the PFH backlog, the Contractor has been tasked with assisting the new Assistant Tax Commissioner-Stamp Duty to create a strategic plan for administering the section, with a view to ensuring that there are no backlogs in future. The path forward will ensure that adjudications and PFH Designation applications are processed in a timely manner.

FramoTC 4/4/2018

Government Policy

As the department collecting the majority of government's revenue, OTC should be made the hub for all government business in order to institute control over revenue.

Non-compliance w/ contracts
AND w/ registrations & licensing.

Government Policy

Major Requirement

- Make OTC the hub for government business
- All license or certificate issue requires a current tax certificate

Desired Outcome

- Increased compliance with filing of returns, payment of tax and payment plans
- Consistency in application across all taxpayers — need systems of communication problem — recommended by CARTAC)
- Increased respect for Government
- OTC efforts will be more profitable and productive

Find ways to work together - govt depts

Government Policy – Input

- Government Enforcement Policy
- IT interfaces to ensure consistency in application
- Legislation
 - Tax Certificates
 - Asset confirmations to banks and law firms prior to write off or payment agreement → for more accurate payment plans

Tax Certificates — shld be automated
— can be extended to other taxes when system in place

IT System

A robust, effective IT system is one of the major resource requirements for OTC. In order to be effective in tax administration, flexible for tax changes and to have reporting for strategic oversight advances must be made in current system capabilities.

- Commercial Off-the-shelf system
- \$5M - \$10M

Debt Management Staffing

- temp additional posts

- 1 additional officer – issue compliance letters
- 2 additional officers – follow up calls payment plans and current debt, resign payment plans
- 2 additional administrative staff – manually tracking information from calls and payments
 - *The system should be designed to provide a more automated way to track information and leverage information already received electronically. Staff can be temporary or moved to more Compliance related activities.*
- 1 assistant manager – follow up on new debt – ISF checks, submission of returns without payment, ensure compliance with write-off procedure

(B) Compliance Staff - additional

- to determine AR + collect #

Inputs	With Enforcement Policy	Without Enforcement Policy
Inspectors - manage taxpayer accounts	1	4
Examiner (Auditors)	2	5
Audits	50 collectible assessments	80 higher A/R
Laptops	Current staff + above	

need more b/c
pple don't want
to be forced.

APPENDIX H

																Actual	Actual	Revised	Budget			
EXPENDITURE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019					
Employees																						
Salaries	195,210	215,074	225,792	239,021	254,945	\$ 283,417	\$ 312,362	\$ 315,220	\$ 302,200	\$ 307,767	\$ 321,173	\$ 309,981	\$ 301,988	\$ 295,881	\$ 287,833	\$ 316,673	\$ 326,048					
Wages	59,156	65,290	70,707	77,443	84,208	91,419	101,259	99,711	99,274	85,288	84,133	83,382	81,260	75,910	78,709	66,178	68,165					
Employer overhead	29,000	31,118	33,465	37,728	46,128	55,452	66,767	66,844	70,918	73,259	42,480	72,664	71,474	69,157	76,866	76,637	78,920					
Other personnel costs	5,886	6,262	6,806	6,989	7,850	12,147	5,155	11,060	10,707	1,552	5,563	5,645	5,460	5,238	5,356	5,911	5,784					
Training	3,040	3,329	4,862	5,895	6,065	6,803	7,956	7,274	5,666	3,825	2,307	2,491	2,104	1,867	1,665	3,015	3,462					
	292,292	321,673	391,632	367,076	399,206	449,238	493,499	500,109	488,765	471,691	455,656	474,163	462,286	448,053	450,429	468,414	482,379				44%	
As a % of Total Revenue	44%	46%	50%	45%	45%	48%	52%	55%	49%	52%	53%	54%	53%	47%	46%	45%	44%					
As a % of Total Expenditures	52%	52%	55%	52%	48%	51%	51%	50%	47%	48%	47%	49%	49%	50%	49%	51%	52%					
																		2019			2019	
Operations																		% of Total	% of Gross	% inc since		
																		Op Expenses	Revenue	2004		
Grants & contributions	140,720	146,841	159,113	174,363	242,700	215,426	234,920	261,143	277,156	274,259	277,385	286,962	296,990	298,204	300,899	319,054	316,565	71%	29%	116%		
Professional services	39,741	50,787	52,057	56,856	71,575	85,943	95,456	111,960	119,070	99,198	95,944	81,469	68,784	58,949	57,067	50,091	49,554	11%	5%	-2%		
Interest on debt	315	667	606	322	581	867	3,641	6,495	3,431	3,475	2,714	459	-	-	-	-	-	0%	0%	-100%		
Materials & supplies	24,028	27,559	29,228	30,464	35,302	38,169	37,043	34,082	32,341	30,987	26,947	23,060	24,191	17,008	21,767	23,201	23,165	5%	2%	-16%		
Repairs & maintenance	9,355	11,496	13,479	13,275	17,331	19,899	23,385	22,441	21,887	18,344	17,614	16,908	18,342	17,046	16,396	18,716	19,467	4%	2%	69%		
Energy	11,511	12,714	12,973	14,674	16,404	18,746	23,786	19,058	20,120	20,657	20,573	20,120	18,064	16,140	16,676	15,798	16,512	4%	2%	30%		
Rentals	8,090	9,812	10,446	11,029	11,941	13,927	16,644	17,037	18,125	17,766	18,794	16,696	15,507	13,665	13,424	13,085	12,091	3%	1%	23%		
Advertising & promotion	20,494	21,208	22,261	20,695	19,327	19,166	16,850	14,114	19,224	15,664	18,136	16,968	3,554	2,813	2,076	2,281	2,490	1%	0%	-8%		
Insurance	5,196	5,708	7,419	9,444	10,456	12,286	11,571	11,959	12,877	13,029	12,499	11,984	9,020	11,731	10,948	8,748	9,008	2%	1%	58%		
Communications	5,101	5,418	6,451	7,134	8,130	8,969	9,609	10,148	10,637	10,039	9,181	8,404	7,171	6,458	6,581	7,001	7,145	2%	1%	32%		
Transport	5,104	5,189	6,173	7,110	5,956	6,542	6,588	6,667	6,830	5,611	3,977	4,534	4,757	3,825	5,209	4,178	4,397	1%	0%	-15%		
Other	2,035	8,298	3,094	2,578	3,420	4,702	5,312	6,618	4,013	3,528	4,200	3,368	1,878	2,391	7,305	3,616	2,979	1%	0%	-64%		
Travel	3,680	4,118	4,629	4,858	5,570	6,396	6,439	5,034	5,017	3,618	3,418	3,311	2,818	2,620	2,325	2,975	3,045	1%	0%	-26%		
Clothing & uniforms	1,524	1,482	1,834	1,758	1,980	2,190	2,566	2,648	2,165	1,500	1,576	1,858	1,703	786	1,266	1,100	1,124	0%	0%	-24%		
Equipment	643	851	2,418	2,232	2,409	2,156	2,067	1,946	1,431	780	1,198	869	628	2,571	1,961	637	552	0%	0%	-35%		
Receipts credited to programmes	(10,661)	(12,033)	(13,173)	(15,514)	(16,218)	(18,811)	(23,579)	(30,518)	(3,071)	-	-	-	-	-	-	(17,413)	(21,339)	-5%	-2%	77%		
	266,876	300,115	319,008	341,278	436,864	436,573	472,898	500,832	551,353	518,455	512,156	496,970	472,807	454,007	463,900	459,068	446,755	100%	41%	49%		
TOTAL EXPENDITURE	\$ 559,168	\$ 621,788	\$ 710,640	\$ 708,354	\$ 836,070	\$ 885,811	\$ 966,397	\$ 1,000,941	\$ 1,040,118	\$ 990,146	\$ 967,812	\$ 971,133	\$ 935,093	\$ 902,060	\$ 914,329	\$ 921,482	\$ 929,134					
Primary Surplus (deficit)	111,942	83,725	71,829	105,733	47,641	42,689	(13,531)	(83,672)	(49,329)	(75,964)	(101,234)	(87,218)	(54,685)	51,554	73,665	122,798	160,727				15%	
Interest on debt	8,515	8,445	8,347	10,547	13,929	17,658	18,186	(A)	55,298	67,592	30,441	109,245	113,223	116,217	120,640	119,550	124,000					
Sinking fund contribution	2,926	3,000	3,063	3,063	4,388	5,625	9,447	(B)	28,760	25,716	30,750	37,625	47,669	52,250	58,375	62,085	64,223					
Capital expenditures	70,763	82,247	86,788	115,634	108,437	155,831	200,271	125,104	121,045	59,486	63,474	65,355	49,753	43,725	76,702	60,394	62,209					
	82,204	93,692	98,198	129,244	126,754	179,114	227,904	125,104	205,103	152,804	124,665	212,225	210,645	212,192	255,717	243,029	250,432					
Surplus (Deficit)	\$ 29,738	\$ (9,967)	\$ (26,369)	\$ (23,511)	\$ (79,113)	\$ (136,425)	\$ (241,435)	\$ (208,776)	\$ (254,426)	\$ (228,768)	\$ (225,899)	\$ (299,443)	\$ (265,330)	\$ (160,638)	\$ (182,052)	\$ (119,231)	\$ (89,705)					
Notes																						
(A) The interest was paid from the Sinking fund																						
(B) No contributions were made to the Sinking Fund																						
(C) As per Government Budget Book																						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019					

Summary Financial Information																	
From the Consolidated Fund Blue Budget Books																	
Thousands of Dollars																	
LEVEL 1 DETAIL																	
REVENUE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Revised Estimate 2018	Budget 2018
Taxes & Duties																	
Payroll tax	\$ 203,191	\$ 229,749	\$ 247,339	\$ 265,120	\$ 297,301	\$ 337,749	\$ 356,526	\$ 349,035	\$ 423,050	\$ 344,702	\$ 328,023	\$ 330,848	\$ 333,860	\$ 361,136	\$ 401,755	\$ 444,000	\$ 454,000
Customs duty	184,917	193,496	212,253	227,181	230,228	229,566	224,160	219,097	195,807	180,697	169,693	174,951	171,470	192,593	211,087	231,011	235,000
Land tax	40,507	41,865	41,988	41,936	43,286	45,221	45,810	48,511	49,131	52,313	55,845	60,477	61,101	67,068	62,422	63,186	76,330
Stamp duty	34,877	32,288	47,027	48,007	50,710	47,379	46,194	31,647	35,962	25,113	18,754	21,379	23,885	25,216	23,125	23,408	23,000
Passenger tax	25,859	26,803	25,844	24,856	30,530	29,106	29,750	29,162	32,345	35,069	34,578	33,921	32,908	40,794	41,025	23,000	25,000
Non-Bda Land acquisition tax	5,257	4,041	11,122	12,973	21,242	14,685	15,813	13,794	15,398	12,121	5,967	4,938	5,493	6,915	5,045	5,045	7,000
Foreign currency purchase tax	3,887	4,849	5,101	6,020	8,715	14,096	14,465	13,792	24,713	23,107	22,072	20,823	20,069	19,628	20,310	20,964	22,000
Hotel occupancy tax	10,824	9,526	10,741	11,727	12,047	13,487	11,103	7,321	7,028	10,907	10,002	9,195	9,187	10,337	7,951	10,480	11,000
Financial Services Tax																8,400	8,900
Corporate services tax	2,077	2,466	2,483	2,916	3,061	3,219	3,718	3,294	3,298	3,244	3,185	4,687	4,444	5,919	5,222	5,395	5,500
Betting tax	1,233	1,310	1,229	1,305	1,766	1,486	957	2,176	1,365	1,487	1,544	1,540	1,668	1,638	936	256	800
Timesharing tax	328	302	234	226	323	258	233	265	57	579	169	189	164	173	61	110	20
	513,027	546,695	606,161	642,267	699,209	736,252	748,729	718,134	787,554	689,339	649,832	662,948	664,249	731,417	778,939	835,255	870,550
Fees, Permits & Licenses																	
International companies	47,689	47,924	49,118	49,362	52,067	55,453	62,393	59,385	61,456	60,479	62,163	62,474	62,776	60,074	62,607	66,065	68,461
Vehicle licenses & registration	22,471	22,834	24,020	24,995	27,201	28,997	27,172	26,870	26,583	26,672	26,031	26,665	28,435	29,031	29,364	29,044	30,449
Registration of aircraft	3,533	4,350	4,640	5,757	7,328	9,974	13,069	15,844	17,394	23,187	23,926	26,569	25,367	25,872	14,574	-	-
Civil Aviation receipts																22,000	19,850
Telecommunications	7,057	6,963	10,204	10,763	11,295	11,552	13,793	12,813	12,498	13,661	13,647	10,031	10,595	11,542	14,301	14,750	17,950
Air Terminal & Aviation	10,114	9,706	10,735	10,379	11,039	11,749	11,122	11,245	9,985	10,810	10,682	10,590	9,915	12,508	8,860	-	-
Immigration	7,457	7,341	9,002	10,013	19,069	11,034	11,768	10,854	10,213	8,730	7,885	11,887	12,281	15,056	16,652	15,462	16,500
Bus transportation	6,205	5,880	6,709	7,782	8,260	8,470	8,011	8,256	8,346	7,989	7,704	7,245	7,628	8,742	7,282	7,000	8,142
Postal services	7,447	7,643	7,631	7,710	6,885	5,897	6,065	5,617	5,456	5,369	5,322	4,553	4,222	4,466	4,036	4,034	4,652
Local companies	2,064	2,404	2,366	2,459	2,706	2,464	3,239	5,320	3,321	2,778	2,809	2,809	2,666	2,787	2,715	2,800	2,940
Registration of shipping	1,733	1,688	2,070	2,187	2,814	3,013	3,659	3,466	3,546	4,209	4,177	5,339	5,332	4,612	3,065	-	-
Water	3,834	3,802	4,225	3,697	3,557	3,619	3,212	3,416	5,082	5,180	4,705	3,556	3,575	3,901	2,538	3,628	3,692
Services to seaborne shipping	3,232	2,812	3,336	2,918	2,986	2,840	2,447	2,621	2,708	3,036	2,768	2,613	2,633	2,885	3,043	2,976	3,088
Solid waste services	3,304	2,607	3,803	3,186	3,325	2,796	2,716	2,474	3,481	4,111	4,094	4,098	3,662	4,551	4,996	5,426	5,473
Other customs fees & charges	1,667	1,745	1,922	1,937	2,222	2,477	809	2,383	1,911	2,265	2,150	2,073	2,161	1,804	1,914	2,011	2,100
Rentals	1,957	1,998	2,345	2,192	2,586	2,720	2,615	2,071	2,014	2,494	2,384	2,111	2,826	1,655	1,958	2,681	2,025
Trade & service marks	1,325	1,290	1,347	1,493	1,443	1,641	1,545	1,577	1,690	1,789	1,584	1,752	1,770	1,818	1,877	1,798	1,801
Wharfage	1,197	1,290	1,467	1,614	1,759	1,584	1,817	1,390	1,637	8,969	8,335	8,680	699	730	795	840	840
Ferry Service	672	733	1,133	1,436	1,788	1,989	1,930	1,298	1,123	1,855	1,777	1,921	1,484	1,315	1,182	1,638	1,636
Planning fees & searches	900	775	1,516	1,096	1,291	1,697	1,655	1,085	1,356	828	714	869	1,100	993	1,379	1,607	1,200
Companies licenses	3,470	4,049	3,515	350	423	451	562	461	347	595	774	704	574	660	865	775	820
Vacation rental fee																-	750
Liquor licenses	343	317	299	334	319	309	344	318	319	327	278	371	311	385	513	320	320
Plant production & Marketing centre	521	376	397	393	424	426	443	179	127	281	38	330	172	196	183	177	190
Insurance fees		27	40	18	12	9	27	53	121	108	15	-	-	-	-	-	-
	138,192	138,654	151,840	152,071	164,799	171,161	180,407	178,996	180,714	195,732	194,062	197,040	190,124	195,543	184,699	185,032	192,879
Other Revenue																	
Other	10,829	10,120	14,017	10,519	9,948	12,167	15,855	13,903	15,665	22,822	17,778	17,770	20,095	22,308	18,197	19,905	21,526
Fines & forfeitures	4,921	4,808	4,585	4,815	4,329	3,030	3,575	3,549	4,152	3,823	2,075	2,711	2,970	3,394	2,622	2,982	3,500
Investment income	3,178	3,920	4,186	2,662	3,274	3,935	3,482	2,687	2,710	3,466	2,831	3,446	2,970	912	3,537	406	406
Asset sales																700	1,000
Bda Monetary Authority	963	1,316	1,680	1,753	2,152	2,955	818	-	-	-	-	-	-	-	-	-	-
	19,891	20,164	24,468	19,749	21,087	23,730	23,730	20,139	22,527	29,111	22,684	23,927	26,035	26,614	24,356	23,993	26,432
TOTAL REVENUE	\$ 671,110	\$ 705,513	\$ 782,469	\$ 814,087	\$ 883,711	\$ 928,500	\$ 952,866	\$ 917,269	\$ 990,795	\$ 914,382	\$ 866,578	\$ 883,915	\$ 880,408	\$ 953,614	\$ 987,994	\$ 1,044,280	\$ 1,089,861

Summary Financial Information			LEVEL 1 DETAIL																	
From the Consolidated Fund Blue Budget Books																				
Thousands of Dollars																Revised				
											Actual	Actual	Actual	Actual	Actual	Estimate	Budget			
REVENUE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019			
Taxes & Duties																				
Payroll tax	\$ 203,191	\$ 229,749	\$ 247,339	\$ 265,120	\$ 297,301	\$ 337,749	\$ 356,526	\$ 349,035	\$ 423,050	\$ 344,702	\$ 328,023	\$ 330,848	\$ 333,860	\$ 361,136	\$ 401,755	\$ 444,000	\$ 454,000			
Customs duty	184,987	193,496	212,253	227,181	230,228	229,566	224,160	219,037	195,807	180,697	169,693	174,951	171,470	192,593	211,087	231,011	235,000			
Land tax	40,507	41,865	41,988	41,936	43,286	45,221	45,810	48,511	49,131	52,313	55,845	60,477	61,101	67,068	62,422	63,186	78,330			
Stamp duty	34,877	32,288	47,827	48,007	50,710	47,379	46,194	31,647	35,362	25,113	18,754	21,379	23,885	25,216	23,125	23,408	23,000			
Passenger tax	25,859	26,803	25,844	24,856	30,530	29,106	29,750	29,262	32,345	35,069	34,578	33,921	32,908	40,794	41,025	23,000	25,000			
Non-Bda Land acquisition tax	5,257	4,041	11,122	12,973	21,242	14,685	15,813	13,794	15,398	12,121	5,967	4,938	5,493	6,915	5,045	5,045	7,000			
Foreign currency purchase tax	3,887	4,849	5,101	6,020	8,715	14,096	14,465	13,792	24,713	23,107	22,072	20,823	20,069	19,628	20,310	20,964	22,000			
Hotel occupancy tax	10,824	9,526	10,741	11,727	12,047	13,487	11,103	7,321	7,028	10,907	10,002	9,195	9,187	10,337	7,951	10,480	11,000			
Financail Services Tax																8,400	8,900			
Corporate services tax	2,077	2,466	2,483	2,916	3,061	3,219	3,718	3,294	3,298	3,244	3,185	4,687	4,444	5,919	5,222	5,395	5,500			
Betting tax	1,233	1,310	1,229	1,305	1,766	1,486	957	2,176	1,365	1,487	1,544	1,540	1,668	1,638	936	256	800			
Timesharing tax	328	302	234	226	323	258	233	265	57	579	169	189	164	173	61	110	20			
	513,027	546,695	606,161	642,267	699,209	736,252	748,729	718,134	787,554	689,339	649,832	662,948	664,249	731,417	778,939	835,255	870,550			
Fees, Permits & Licenses																				
International companies	47,689	47,924	49,118	49,362	52,067	55,453	62,393	59,385	61,456	60,479	62,163	62,474	62,776	60,074	62,607	66,065	68,461			
Vehicle licenses & registration	22,471	22,934	24,020	24,995	27,201	28,997	27,172	26,870	26,583	26,672	26,031	26,665	28,435	29,031	29,364	29,044	30,449			
Registration of aircraft	3,533	4,350	4,640	5,757	7,328	9,974	13,069	15,844	17,394	23,197	23,926	26,569	25,367	25,872	14,574	-	-			
Civil Aviation receipts																22,000	19,850			
Telecommunications	7,057	6,963	10,204	10,763	11,295	11,552	13,793	12,813	12,498	13,661	13,647	10,031	10,595	11,542	14,301	14,750	17,950			
Air Terminal & Aviation	10,114	9,706	10,735	10,379	11,039	11,749	11,122	11,245	9,985	10,810	10,682	10,590	9,915	12,508	8,860	-	-			
Immigration	7,457	7,341	9,002	10,013	13,069	11,034	11,768	10,854	10,213	8,730	7,985	11,887	12,281	15,056	16,652	15,462	16,500			
Bus transportation	6,205	5,880	6,709	7,782	8,260	8,470	8,011	8,256	8,346	7,989	7,704	7,245	7,628	8,742	7,282	7,000	8,142			
Postal services	7,447	7,643	7,631	7,710	6,885	5,897	6,065	5,617	5,456	5,369	5,322	4,553	4,222	4,466	4,036	4,034	4,652			
Local companies	2,064	2,404	2,366	2,459	2,706	2,464	3,233	5,320	3,321	2,778	2,809	2,809	2,666	2,787	2,715	2,800	2,940			
Registration of shipping	1,733	1,688	2,070	2,187	2,814	3,013	3,659	3,466	3,546	4,209	4,177	5,139	5,332	4,612	3,065	-	-			
Water	3,834	3,802	4,225	3,697	3,557	3,619	3,212	3,416	5,082	5,180	4,705	3,556	3,575	3,901	2,538	3,628	3,692			
Services to seaborne shipping	3,232	2,812	3,336	2,918	2,986	2,840	2,447	2,621	2,708	3,036	2,768	2,613	2,633	2,885	3,043	2,976	3,088			
Solid waste services	3,304	2,607	3,803	3,186	3,325	2,796	2,716	2,474	3,481	4,111	4,094	4,098	3,662	4,551	4,996	5,426	5,473			
Other customs fees & charges	1,667	1,745	1,922	1,937	2,222	2,477	809	2,383	1,911	2,265	2,150	2,073	2,161	1,804	1,914	2,011	2,100			
Rentals	1,957	1,998	2,345	2,192	2,586	2,720	2,615	2,071	2,014	2,494	2,384	2,111	2,826	1,655	1,958	2,681	2,025			
Trade & service marks	1,325	1,290	1,347	1,493	1,443	1,641	1,545	1,577	1,690	1,789	1,584	1,752	1,770	1,818	1,877	1,798	1,801			
Wharfage	1,197	1,290	1,467	1,614	1,759	1,584	1,817	1,390	1,637	8,969	8,335	8,680	639	730	795	840	840			
Ferry Service	672	733	1,133	1,436	1,788	1,989	1,930	1,298	1,123	1,855	1,777	1,921	1,484	1,315	1,182	1,638	1,636			
Planning fees & searches	900	775	1,516	1,096	1,291	1,697	1,655	1,085	1,356	828	714	869	1,100	993	1,379	1,607	1,200			
Companies licenses	3,470	4,049	3,515	350	423	451	562	461	347	595	774	704	574	660	865	775	820			
Vacation rental fee																-	750			
Liquor licenses	343	317	299	334	319	309	344	318	319	327	278	371	311	385	513	320	320			
Plant production & Marketing centre	521	376	397	393	424	426	443	179	127	281	38	330	172	196	183	177	190			
Insurance fees		27	40	18	12	9	27	53	121	108	15	-	-	-	-	-	-			
	138,192	138,654	151,840	152,071	164,799	171,161	180,407	178,996	180,714	195,732	194,062	197,040	190,124	195,583	184,699	185,032	192,879			
Other Revenue																				
Other	10,829	10,120	14,017	10,519	9,948	12,167	15,855	13,903	15,665	22,822	17,778	17,770	20,095	22,308	18,197	19,905	21,526			
Fines & forfeitures	4,921	4,808	4,585	4,815	4,329	2,030	3,575	3,549	4,152	2,823	2,075	2,711	2,970	3,394	2,622	2,982	3,500			
Investment income	3,178	3,920	4,186	2,662	3,274	3,935	3,482	2,687	2,710	3,466	2,831	3,446	2,970	912	3,537	406	406			
Asset sales																700	1,000			
Bda Monetary Authority	963	1,316	1,680	1,753	2,152	2,955	818	-	-	-	-	-	-	-	-					
	19,891	20,164	24,468	19,749	19,703	21,087	23,730	20,139	22,527	29,111	22,684	23,927	26,035	26,614	24,356	23,993	26,432			
TOTAL REVENUE	\$ 671,110	\$ 705,513	\$ 782,469	\$ 814,087	\$ 883,711	\$ 928,500	\$ 952,866	\$ 917,269	\$ 990,795	\$ 914,182	\$ 866,578	\$ 883,915	\$ 880,408	\$ 953,614	\$ 987,994	\$ 1,044,280	\$ 1,089,861			

																Revised	Budget			
EXPENDITURE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Actual 2016	Actual 2017	Estimate 2018	2019			
Employees																				
Salaries	195,210	215,074	225,792	239,021	254,945	\$ 283,417	\$ 312,362	\$ 315,220	\$ 302,200	\$ 307,767	\$ 321,173	\$ 309,981	\$ 301,988	\$ 295,881	\$ 287,833	\$ 316,673	\$ 326,048			
Wages	59,156	65,290	70,707	77,443	84,208	91,419	101,259	99,711	99,274	85,288	84,133	83,382	81,260	75,910	78,709	66,178	68,165			
Employer overhead	29,000	31,118	83,465	37,728	46,128	55,452	66,767	66,844	70,918	73,259	42,480	72,664	71,474	69,157	76,866	76,637	78,920			
Other personnel costs	5,886	6,262	6,806	6,989	7,860	12,147	5,155	11,060	10,707	1,552	5,563	5,645	5,460	5,238	5,356	5,911	5,784			
Training	3,040	3,929	4,862	5,895	6,065	6,803	7,956	7,274	5,666	3,825	2,307	2,491	2,104	1,867	1,665	3,015	3,462			
	292,292	321,673	391,632	367,076	399,206	449,238	493,499	500,109	488,765	471,691	455,656	474,163	462,286	448,053	450,429	468,414	482,379		44%	
As a % of Total Revenue	44%	46%	50%	45%	45%	48%	52%	55%	49%	52%	53%	54%	53%	47%	46%	45%	44%			
As a % of Total Expenditures	52%	52%	55%	52%	48%	51%	51%	50%	47%	48%	47%	49%	49%	50%	49%	51%	52%			
Operations																		2019		2019
																		% of Total	% of Gross	% Inc since
																		Op Expenses	Revenue	2004
Grants & contributions	140,720	146,841	159,113	174,363	242,700	215,426	234,920	261,143	277,156	274,259	277,385	286,962	296,390	298,204	300,899	319,054	316,565	71%	29%	116%
Professional services	39,741	50,787	52,057	56,856	71,575	85,943	95,456	111,960	119,070	99,198	95,944	81,469	68,784	58,949	57,067	50,091	49,554	11%	5%	-2%
Interest on debt	315	667	606	322	581	867	3,641	6,495	3,431	3,475	2,714	459	-	-	-	-	-	0%	0%	-100%
Materials & supplies	24,028	27,559	29,228	30,464	35,302	38,169	37,043	34,082	32,341	30,987	26,947	23,060	24,191	17,008	21,767	23,201	23,165	5%	2%	-16%
Repairs & maintenance	9,355	11,496	13,479	13,275	17,331	19,899	23,385	22,441	21,887	18,344	17,614	16,908	18,342	17,046	16,396	18,716	19,467	4%	2%	69%
Energy	11,511	12,714	12,973	14,674	16,404	18,746	23,786	19,058	20,120	20,657	20,573	20,120	18,064	16,140	16,676	15,798	16,512	4%	2%	30%
Rentals	8,090	9,812	10,446	11,029	11,941	13,927	16,644	17,037	18,125	17,766	16,794	16,696	15,507	13,665	13,424	13,085	12,091	3%	1%	23%
Advertising & promotion	20,494	21,208	22,261	20,695	19,327	19,166	16,850	14,114	19,224	15,664	18,136	16,968	3,554	2,813	2,076	2,281	2,490	1%	0%	-88%
Insurance	5,196	5,708	7,419	9,444	10,456	12,286	11,571	11,959	12,977	13,029	12,499	11,984	9,020	11,731	10,948	8,748	9,008	2%	1%	58%
Communications	5,101	5,418	6,451	7,134	8,130	8,969	9,609	10,148	10,637	10,039	9,181	8,404	7,171	6,458	6,581	7,001	7,145	2%	1%	32%
Transport	5,104	5,189	6,173	7,110	5,956	6,542	6,588	6,667	6,830	5,611	3,977	4,534	4,757	3,625	5,209	4,178	4,397	1%	0%	-15%
Other	2,035	8,298	3,094	2,578	3,420	4,702	5,912	6,618	4,013	3,528	4,200	3,368	1,878	2,391	7,305	3,616	2,979	1%	0%	-64%
Travel	3,680	4,118	4,629	4,858	5,570	6,396	6,439	5,034	5,017	3,618	3,418	3,311	2,818	2,620	2,325	2,975	3,045	1%	0%	-26%
Clothing & uniforms	1,524	1,482	1,834	1,758	1,980	2,190	2,566	2,648	2,165	1,500	1,576	1,858	1,703	786	1,266	1,100	1,124	0%	0%	-24%
Equipment	643	851	2,418	2,232	2,409	2,156	2,067	1,946	1,431	780	1,198	869	628	2,571	1,961	637	552	0%	0%	-35%
Receipts credited to programmes	(10,661)	(12,033)	(13,173)	(15,514)	(16,218)	(18,811)	(23,579)	(30,518)	(3,071)		-	-	-	-	-	(17,413)	(21,339)	-5%	-2%	77%
	266,876	300,115	319,008	341,278	436,864	436,573	472,898	500,832	551,353	518,455	512,156	496,970	472,807	454,007	463,900	453,068	446,755	100%	41%	49%
TOTAL EXPENDITURE	\$ 559,168	\$ 621,788	\$ 710,640	\$ 708,354	\$ 836,070	\$ 885,811	\$ 966,397	\$ 1,000,941	\$ 1,040,118	\$ 990,146	\$ 967,812	\$ 971,133	\$ 935,093	\$ 902,060	\$ 914,329	\$ 921,482	\$ 929,134			
Primary Surplus (deficit)	111,942	83,725	71,829	105,733	47,641	42,689	(13,531)	(83,672)	(49,323)	(75,964)	(101,234)	(87,218)	(54,685)	51,554	73,665	122,798	160,727		15%	
Interest on debt	8,515	8,445	8,347	10,547	13,929	17,658	18,186	(A)	55,298	67,592	30,441	109,245	113,223	116,217	120,640	119,550	124,000			
Sinking fund contribution	2,926	3,000	3,063	3,063	4,388	5,625	9,447	(B)	28,760	25,726	30,750	37,625	47,669	52,250	58,375	62,085	64,223			
Capital expenditures	70,763	82,247	86,788	115,634	108,437	155,831	200,271	125,104	121,045	59,486	63,474	65,355	49,753	43,725	76,702	60,394	62,209			
	82,204	93,692	98,198	129,244	126,754	179,114	227,904	125,104	205,103	152,804	124,665	212,225	210,645	212,192	255,717	242,029	250,432			
Surplus (Deficit)	\$ 29,738	\$ (9,967)	\$ (26,369)	\$ (23,511)	\$ (79,113)	\$ (136,425)	\$ (241,435)	\$ (208,776)	\$ (254,426)	\$ (228,768)	\$ (225,899)	\$ (299,443)	\$ (265,330)	\$ (160,638)	\$ (182,052)	\$ (119,231)	\$ (89,705)			
											Org Budget	(331,593)	(267,267)	(196,660)	(199,393)	(134,678)				
Notes											Variance	\$ 32,150	\$ 1,937	\$ 36,022	\$ 17,341	\$ 15,447				
(A) The interest was paid from the Sinking fund																				
(B) No contributions were made to the Sinking Fund .																				
(C) As per Government Budget Book																				
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019			

APPENDIX I

Bermuda Government																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
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APPENDIX J

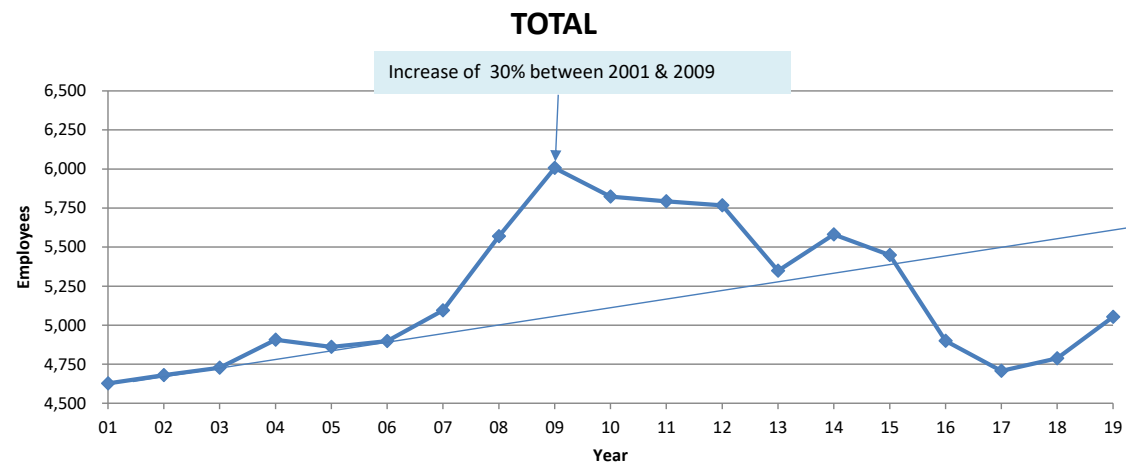
Bermuda Government																						
Staff Statistics From Budget "Blue Books"																						
2001 to 2019																						
	Head	Ministry																		Revised	Budget	
Department Heads	Code	For 2019	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Comments
Governor & Staff	1	Non-Ministry	13	14	13	13	12	12	11	12	11	15	15	14	10	14	14	13	13	13	13	
Legislature	2	Non-Ministry	59	60	54	54	54	8	8	56	54	56	55	56	55	55	55	55	55	55	55	
Legislative Affairs	62	Non-Ministry	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Out in 2003
Audit	5	Non-Ministry	14	13	14	14	14	15	15	18	18	19	18	25	23	30	30	25	26	26	29	
Parliamentary Registrar	63	Non-Ministry	2	3	4	4	3	6	6	4	6	4	6	5	6	5	5	4	5	7	7	
Ombudsman's Office	85	Non-Ministry	-	-	-	-	-	4	4	4	5	4	4	4	5	5	5	6	6	6	6	New in 2006
Internal Audit	92	Non-Ministry	-	-	-	-	-	-	-	-	-	-	15	13	11	14	14	10	7	12	12	New in 2011
Human Rights Commission	56	Non-Ministry																6	8	8	8	New in 2016
Information Commissioner's Office	98	Non-Ministry																3	5	4	5	New in 2017
Privacy Commissioner's Office	101	Non-Ministry																	-	-	3	New in 2019
			89	91	85	85	83	45	44	94	94	98	113	117	110	123	123	122	125	131	138	
Cabinet office	9	Cabinet Office	14	14	17	17	17	16	16	30	37	32	31	38	40	36	37	33	28	29	37	
Post Office	13	Cabinet Office	213	206	223	216	218	227	227	257	221	232	232	222	171	199	176	150	128	152	142	
Dept. of Statistics	14	Cabinet Office	33	22	23	18	18	28	28	27	34	31	31	31	27	28	28	25	24	24	24	
Dept. of Management Services	15	Cabinet Office	7	7	7	8	7	10	10	9	9	-	-	-	-	-	-					Out in 2010
Information Technology Office	43	Cabinet Office	30	32	29	36	36	37	37	39	46	42	51	43	34	35	37	35	35	41	40	
Dept. of Communications & Info	51	Cabinet Office	13	13	15	14	15	17	17	22	26	24	18	25	24	25	25	25	24	30	30	
Project Management & Procurement	80	Cabinet Office	-	-	-	-	-	-	-	11	13	19	19	18	7	13	9	8	7	8	9	New in 2008
E Government	84	Cabinet Office	-	-	-	-	-	2	2	4	7	5	8	8	7	8	8	7	6	-	-	Out in 2018
Dept. of Human Resources	26	Cabinet Office	46	48	52	66	66	27	27	32	34	35	34	29	27	29	29	27	27	26	26	
Sustainable Development	96	Cabinet Office	-	-	-	-	-	-	-	-	-	-	-	3	3	3	3	4				New in 2012
			356	342	366	375	377	364	364	431	427	420	424	417	340	376	352	314	279	310	308	
Min of Legal affiars HQ	87	Legal Affairs	-	-	-	-	-	-	-	2	2	15	15	15	16	24	16	14	13	13	14	New in 2008
Judicial Dept.	3	Legal Affairs	61	59	64	61	61	64	68	70	89	70	70	69	63	68	68	66	65	69	69	
Attorney General's Chambers	4	Legal Affairs	35	35	39	39	39	32	32	38	56	40	40	35	35	36	36	34	33	33	33	
Dept. of Court Services	74	Legal Affairs	-	-	25	31	31	36	36	37	51	38	38	37	25	37	37	38	38	38	38	New in 2003
Dept. of Public Prosecutions	75	Legal Affairs	-	-	-	16	16	16	16	22	30	24	24	24	23	25	24	24	25	25	25	New in 2004
			96	94	128	147	147	148	152	169	228	187	187	180	162	190	181	176	174	178	179	
Finance HQ	10	Finance	13	12	12	13	13	12	13	13	17	21	16	13	14	15	15	14	15	14	18	
Accountant General	11	Finance	43	46	50	63	63	74	74	75	92	81	81	82	80	73	71	53	55	61	61	
Social Insurance	28	Finance	28	26	26	30	28	31	31	29	39	22	23	21	22	21	21	20	20	24	24	
Office of the Tax Commissioner	38	Finance	25	25	27	29	29	30	30	31	47	32	32	28	27	28	28	25	24	29	29	
Registrar of Companies	39	Finance	34	30	22	23	23	24	24	23	30	23	23	27	21	21	21	23	18	20	26	
			143	139	137	158	156	171	172	171	225	179	175	171	164	158	156	135	132	148	158	
Education HQ	16	Education & Workforce Dev	30	22	-	-	-	-	-	-	-	-	5	5	-	-	-	3	3	3	10	Out in 2003 New in 2011 in 95 in 2015?
Dept. of Education	17	Education & Workforce Dev	1,086	1,130	1,010	1,171	1,173	1,149	1,176	1,269	1,285	1,260	1,243	1,241	1,176	1,185	1,175	1,097	1,077	1,116	1,126	
Libraries & Archives	18	Education & Workforce Dev	28	29	26	29	24	26	26	30	30	26	27	26	24	26	26	17	16	19	26	

Archives	19	Education & Workforce Dev	7	7	7	7	7	8	10	10	10	12	12	12	10	10	10	8	7	9	-	Moved to Head 18 in 2019
Workforce Dev	60	Education & Workforce Dev	4	4	17	14	12	15	15	26	26	24	24	26	23	23	23	18	21	21	16	
			1,155	1,192	1,060	1,221	1,216	1,198	1,227	1,335	1,351	1,322	1,311	1,310	1,233	1,244	1,234	1,143	1,124	1,168	1,178	
Health & Seniors HQ	21	Health & Environment	10	13	17	17	17	14	14	16	21	16	23	22	44	51	50	45	45	45	45	
Dept. of Health	22	Health & Environment	234	243	264	257	247	235	235	292	369	317	317	313	272	284	288	263	261	261	280	
Environmental Protection	72	Health & Environment	-	-	29	25	26	28	28	32	42	32	30	30	31	34	34	29				New in 2003
Health Insurance	91	Health & Environment	-	-	-	-	-	-	-	-	10	21	19	15	6	15	15	19	19	19	19	New in 2009
			244	256	310	299	290	277	277	340	442	386	389	380	353	384	387	356	325	325	344	
Agriculture, Fisheries & Parks	37	Environment & Planning	94	104	-	-	-	-	-	-	-	-	-	-	-	-	-	-				Out in 2003
			94	104	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tourism Dev & Transport HQ	48	Mins of Transport & Reg Aff	4	3	4	3	4	3	3	6	6	3	4	4	3	4	8	8	8	8	6	
Marine & Ports	30	Mins of Transport & Reg Aff	135	140	141	146	146	161	170	179	194	196	179	179	165	174	167	153	153	155	158	
Airport Operations	31	Mins of Transport & Reg Aff	43	43	40	42	42	45	45	49	49	52	52	45	43	43	43	36	42	-	-	Gone to AECON in 2018
Tourism	33	Mins of Transport & Reg Aff	69	69	29	75	75	27	64	43	43	52	49	49	47	47	-	-				TRANSFERRED TO BTA in 2015
Transport Control Dept.	34	Mins of Transport & Reg Aff	35	33	35	33	33	38	38	54	69	54	54	49	43	43	41	33	34	34	40	
Public Transportation	35	Mins of Transport & Reg Aff	197	193	222	220	217	226	234	268	247	264	264	256	234	257	249	213	199	204	236	
Energy	89	Mins of Transport & Reg Aff									2	2	3	3	3	3	3	3	3	3	3	New in 2009
Civil Aviation	57	Mins of Transport & Reg Aff	11	11	14	16	17	14	16	18	24	18	22	29	39	39	39	27				Gone to New Quango in 2016
Maritime Administration	73	Mins of Transport & Reg Aff	-	-	11	10	10	11	11	15	14	15	15	11	10	13	13	17				Gone to New Quango in 2016
			494	492	496	545	544	525	581	632	648	656	642	625	587	623	563	490	439	404	443	
Public Works HQ	36	Public Works	452	457	478	493	493	548	545	56	61	51	51	51	47	53	51	37	39	34	48	
Land Valuation	49	Public Works	8	8	6	5	7	7	7	7	6	8	8	8	6	8	8	7	7	7	8	
Parks	68	Public Works	94	99	133	124	124	142	150	158	146	160	156	164	153	164	150	120	111	115	143	
Conservation Services	69	Public Works	-	-	63	65	57	64	64	53	79	55	55	56	51	50	50	50				New in 2003
Public Lands & Buildings	81	Public Works	-	-	-	-	-	-	-	168	171	178	178	162	167	169	163	143	147	143	155	New in 2008
Works & Engineering	82	Public Works	-	-	-	-	-	-	-	343	343	349	349	349	336	349	334	300	288	276	343	New in 2008
Land, Surveys & Registration	97	Public Works	-	-	-	-	-	-	-	-	-	-	-	14	11	14	16	9	6	6	10	New in 2012
			554	564	680	687	681	761	766	785	806	801	797	804	771	807	772	666	598	581	707	
Community & Cultural Dev. HQ	71	Social Dev & Sports	-	-	-	-	-	-	-	5	3	3	9	19	14	19	18	16	18	18	18	New in 2008
Community Affairs	40	Social Dev & Sports	15	16	19	19	-	-	-	-	-	-	-	-	-	-	-	-				Out in 2005
Youth, Sport & Recreation	20	Social Dev & Sports	88	100	106	126	146	46	115	101	91	122	105	118	116	110	111	101	98	95	96	
Child & Family Services	23	Social Dev & Sports	84	90	75	85	85	63	80	94	142	104	96	105	82	88	104	95	95	97	97	
Community & Cultural Affairs	52	Social Dev & Sports	4	3	4	15	16	15	15	16	23	17	17	16	14	15	16	15	15	15	8	
Community & Cultural Affairs HQ	86	Social Dev & Sports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				Out before 2001
National Drug Control	88	Social Dev & Sports	-	-	-	-	-	19	24	28	22	28	29	24	24	26	26	27	27	27	27	
Financial Assistance	55	Social Dev & Sports	19	17	21	18	20	20	20	24	45	34	33	33	32	33	33	33	31	32	34	
Human Affairs	56	Social Dev & Sports	25	25	13	18	17	15	15	26	28	19	22	13	8	13	13					
			235	251	238	281	284	178	269	294	354	327	311	328	290	304	321	287	284	284	280	
Public Safety HQ	83	National Security	-	-	-	-	-	-	-	9	8	6	7	7	8	8	8	7	7	7	7	New in 2008
Defence	6	National Security	26	29	28	23	22	28	28	35	39	33	31	32	28	30	30	30	31	31	31	
Police	7	National Security	544	530	524	481	481	519	519	547	568	613	612	615	556	558	563	535	507	501	511	
Customs	12	National Security	142	131	164	102	102	197	197	187	248	236	236	80	188	211	202	190	172	175	190	
Dept. of Corrections	25	National Security	224	230	283	278	249	252	252	241	271	249	249	249	239	251	245	210	202	202	229	

Fire Services	45	National Security	100	99	107	103	105	109	119	135	147	162	164	163	161	164	164	125	115	128	128	
Security Services & Delegated Aff	54	National Security	2	2	2	2	1	2	2	2	2	1	1	-	-	-	-	-				Out in 2012
Dept of Information & Comm Tech	67	National Security	1	1	-	-	1	1	1	1	1	5	5	5	3	5	5	3	4	7	6	
			1,039	1,022	1,108	989	961	1,108	1,118	1,157	1,284	1,305	1,305	1,151	1,183	1,227	1,217	1,100	1,038	1,051	1,102	
Economy, Trade & Industry HQ	94	Economy, Trade & Industry	-	-	-	-	-	-	-	-	-	-	-	16	16	-	-	-	-	-	-	New in 2012 out in 2014
Home Affairs HQ	93	Home Affairs	-	-	-	-	-	-	-	-	-	-	-	5	5	2	12	14	14	15	22	New in 2012
Immigration	27	Home Affairs	57	62	43	45	45	49	49	68	56	56	51	169	45	45	44	38	44	50	50	
Labour & Immigration HQ	44	Home Affairs	3	2	6	6	4	5	5	-	-	-	-	-	-	-	-	-				Out in 2008
Registry General	29	Home Affairs	18	19	19	21	21	19	19	24	21	21	22	16	22	22	22	18	18	19	19	
Dept. of Planning	32	Home Affairs	32	33	35	35	35	34	34	48	47	42	42	43	39	39	39	28	28	33	33	
Rent Commissioner	42	Home Affairs	4	4	4	3	5	5	5	5	5	5	5	5	5	5	5	-				
Min of the Environment HQ	50	Home Affairs	6	5	3	2	3	3	4	7	6	5	5	5	7	9	-	-	1	-	-	
Environment & Nat Resources	79	Home Affairs																-	75	79	79	
			120	125	110	112	113	115	116	152	135	129	125	243	123	122	122	98	180	196	203	
Energy, Telecom & E Com HQ	90	Economic Development	-	-	-	-	-	-	-	-	1	3	4	-	-	-	-					New in 2009 & Out in 2012
	46	Telecoms	8	8	9	8	8	8	8	9	11	10	10	10	7	10	10	4	1	-	-	
	95	Ministry of Economic Dev HQ	-	-	-	-	-	-	-	-	-	-	-	15	9	13	10	8	8	11	13	New in 2012
			8	8	9	8	8	8	8	9	12	13	14	25	16	23	20	12	9	11	13	
TOTAL			4,627	4,680	4,727	4,907	4,860	4,898	5,094	5,569	6,006	5,823	5,793	5,767	5,348	5,581	5,448	4,899	4,707	4,787	5,053	
		In 2019	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
		Non-Ministry	89	91	85	85	83	45	44	94	94	98	113	117	110	123	123	122	125	131	138	
		Cabinet Office	356	342	366	375	377	364	364	431	427	420	424	417	340	376	352	314	279	310	308	
		Legal Affairs	96	94	128	147	147	148	152	169	228	187	187	180	162	190	181	176	174	178	179	
		Finance	143	139	137	158	156	171	172	171	225	179	175	171	164	158	156	135	132	148	158	
		Education & WF Dev	1,155	1,192	1,060	1,221	1,216	1,198	1,227	1,335	1,351	1,322	1,311	1,310	1,233	1,244	1,234	1,143	1,124	1,168	1,178	
		Health	244	256	310	299	290	277	277	340	442	386	389	380	353	384	387	356	325	325	344	
		Environment & Planning	94	104	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Transport & Reg Affairs	494	492	496	545	544	525	581	632	648	656	642	625	587	623	563	490	439	404	443	
		Public Works	554	564	680	687	681	761	766	785	806	801	797	804	771	807	772	666	598	581	707	
		Social Dev & Sports	235	251	238	281	284	178	269	294	354	327	311	328	290	304	321	287	284	284	280	
		National Security	1,039	1,022	1,108	989	961	1,108	1,118	1,157	1,284	1,305	1,305	1,151	1,183	1,227	1,217	1,100	1,038	1,051	1,102	
		Home Affairs	120	125	110	112	113	115	116	152	135	129	125	243	123	122	122	98	180	196	203	
		Economy, Trade & Industry	-	-	-	-	-	-	-	-	-	-	-	16	16	-	-	-	-	-	-	
		Economic Development	8	8	9	8	8	8	8	9	12	13	14	25	16	23	20	12	9	11	13	
		TOTAL	4,627	4,680	4,727	4,907	4,860	4,898	5,094	5,569	6,006	5,823	5,793	5,767	5,348	5,581	5,448	4,899	4,707	4,787	5,053	
		Active HEADS	57	57	57	58	58	61	61	66	69	68	70	73	73	72	69	70	67	63	63	

Since 2010 The Following has been Transferred to New Quangos or Aecon

BTA				49
New Airport Quango				39
New Maritime Quango				13
To AECON				42
				143



APPENDIX K

Bermuda Government																		
Financial Detail																		
Grants & Contributions - Per Blue Book																		
March 31,2019																		
	Head Code	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Revised 2018	Budget 2019	16 Yrs Totals
Governor & staff	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101	\$ -	\$ -		\$ -				
Legislature	2	121	121	154	309	41	231	298	201	204	222	220	230	220	218	147	175	
Defence	6	2	11	12	12	15	15	15	15	10	10	10	10	-	10	10	10	
Police	7	15	18	39	19	19	14	21	20	12		-	-	-				
Cabinet office	9	73	60	20	110	119	154	127	91	50	-	50	5	-	-	50	50	
Ministry of Finance Headquarters	10	1,200	1,637	1,955	2,771	6,428	7,707	7,306	7,485	7,423	1,158	1,138	1,000	950	975	975	1,057	
Accountant General	11	37	41	41	6	6	12	6	6	12		6	6	6	6	6	6	
Min of Education - HQ	16								1,935	2,817		1,794	1,724	1,474	1,681	1,774	1,737	
Dept of Education	17	22,730	25,610	27,176	29,498	31,339	32,157	34,620	32,891	38,508	30,373	26,222	26,085	25,282	24,372	26,241	28,514	
Youth, Sports & Recreation	20	1,839	2,559	4,430	6,249	7,925	7,622	5,136	4,130	3,879	3,867	4,017	3,611	2,641	2,637	2,757	2,775	
Min of Health HQ	21	3,004	3,176	4,103	2,021	1,311	5,079	5,248	3,471	2,595	3,606	3,776	4,200	4,060	4,794	6,321	5,343	
Dept of Health	22	2,079	2,118	2,119	3,352	4,383	259	289	61	132	58	-		2	-	-	-	
Child & Family Services	23	1,307	1,385	1,662	1,861	2,179	2,285	2,157	1,748	1,244	1,162	1,081	1,017	910	810	860	860	
Hospitals	24	79,936	85,736	92,370	99,548	109,188	119,243	134,734	150,184	142,699	149,553	152,826	147,862	147,995	145,001	122,064	145,674	
Dept of corrections	25	1	42	22	5		11		1		4	2	-	1	3	5	5	
Social insurance	28	231	287	267	330	1,084	2,108											
Marine & Ports	30	33	24	35	38	45	44	47	35	55	37	-	19	18	18	19	19	
Dept of planning	32	22	15	12	6	4	7	10	6	8	11	10	8	8	5	10	10	
Tourism	33	1,473	1,410	2,756	4,366	5,361	3,236	2,922	3,559	3,034	2,919	7,652	-					
Transport Control Dept	34	53	45	108	87	122	142	157	148	33	37	73	33	4	11	11	25	
Min of Public Works HQ	36								1,373	1,838	7,000	705	-	-	50	-	950	
Registrar of Companies	39	1,750	2,700	2,876	1,726													
Community affairs	40	650	657	775	794	696	605	642	795	333								
Bermuda College	41	13,354	13,860	14,982	17,254	18,195	20,290	20,702	19,869	18,119	18,119	18,119	16,851	16,008	15,528	15,481	15,906	
Info Technology office	43		17															
Fire Services	45	73	73	61	85	39												
Min of Transport HQ	48					1,000	670	300				-	24,188	24,588	27,028	42,992	13,300	
Min of Envir, Plann & Infra Str - HQ	50						46	(3)						-	-	950	-	
Community & cultural affairs	52										309	338	265	251	250	290	364	
Bda Housing Corp	53	3,106	3,106	3,199	3,699	4,300	6,000	7,250	7,000	6,587	6,500	8,000	7,440	6,050	6,050	6,050	6,050	
Security services & Del affairs	54																	
Financial assistance	55	12,658	13,493	14,340	16,237	16,735	22,597	30,377	34,536	35,735	40,138	45,422	49,167	51,826	50,558	50,404	48,528	
Human affairs	56					104					-	108	175					
Labour & Training	60										1,360	1,478	1,400	1,686	1,874	1,940	1,843	
Conservation Services	69	200	150	154	155	258	305	305	300	250	193	-						
Min of Community & Cul Dev - HQ	71				-	200	1,152	1,142	1,061	827	88	52	860	579	304	10	78	
Environmental protection	72	895	692	690	941	721	634	546	538	405	403	403	403	399				
Maritime Admin	73	5	5	5	5	10					-		-					
Envir & Nat Resources	79													-	389	403	403	
Works & Eng	82				61	61	61	61	81	61	61	61	61					
Min. of Public Safety (was Labour, Home Aff etc.)	83				49,500		70	28			225	-	-	-	-	-	200	
Ombudsman's office	85																	
Ministry of cultural affairs -HQ	86				159	1,850												
Ministry of Legal Affairs HQ	87					515	1,855	1,840	1,402	1,732	1,235	1,240	1,535	1,495	1,657	1,805		
National Drug Control	88				1,496	1,690	1,652	3,369	2,183	726	732	668	1,134	200	483	483	783	
Health insurance	91							1,474	1,593	1,460	-	-	-	-	3,000	3,995	3,995	
Min of Home Affairs - HQ	93										-	5,696	1,626	1,343	1,363	-	70	
Min of Economy, Trade & Ind - HQ	94									500	2,325	-						
Min of Economic development - HQ	95									3,200	5,183	5,801	5,831	10,168	11,987	33,149	36,030	
Land surveys & registration	97											-						
Rounding		(6)	65			(2)	(3)	(2)										
Sub total Current Account per Blue Budget Book		146,841	159,113	174,363	242,700	215,426	234,920	261,139	277,156	274,259	277,385	286,962	296,390	298,204	300,900	319,054	316,565	

Capital Grants (not current account)																		
WEDCO		-	5,000		2,500	5,000		1,871	1,778	1,720	1,661	1,098	1,539	6,801	5,166	7,406	41,540	
BLDC		3,500	3,000	3,000	5,000												14,500	
KEMH						3,000											3,000	
BHC Capital Grant												-	2,160	4,800	4,800	4,800	16,560	
Corp of St Georges					5,000						360			1,480			6,840	
National Sports Centre		7,885		7,000	10,000	495				7,148	2,048	1,150					35,726	
Sandys Comm Centre / 360					505	6,885				2,000	500				200		10,090	
Golf Course Improvements					-	10,074	3,000	4,503	190				400				18,167	
National Trust acquisition							25	20	25	25	25	25	25	25	25	25	245	
National Trust main fund					300		5	5	5	5	5	5	5	5	5	5	350	
Americas Cup												3,077	4,874	15,747	968	-	24,666	
Bda Airport Authority Grant														1,934	253	2,500	4,687	
Bermuda College				300											850	500	1,650	
Commissioners House		100															100	
		11,485	8,000	10,000	15,805	15,180	18,074	3,030	6,399	1,998	10,898	4,599	5,355	9,003	30,792	12,267	15,236	178,121
																		-
TOTAL of all Grants & Contributions		\$ 158,326	\$ 167,113	\$ 184,363	\$ 258,505	\$ 230,606	\$ 252,994	\$ 264,169	\$ 283,555	\$ 276,257	\$ 288,283	\$ 291,561	\$ 301,745	\$ 307,207	\$ 331,692	\$ 331,321	\$ 331,801	4,259,498
		y	y	y	y	y	y	y	y	y	y	y	Y					
Quangos and Other Major Externals																		
WEDCO			5,000		2,500	5,000		1,871	1,778	1,720	1,661	1,098	1,539	6,801	5,166	7,406	41,540	
Corp of Hamilton									5,250	5,000	5,000	-					15,250	
Corp of St Georges		405	423	386	435	5,350	350	350	350	1,150	1,150	1,560	-				11,909	
Parish Councils		578	1,465	807	1,959	1,500	706	865	865	785	750	750	675	558	251	-	-	12,514
Bda Housing Grant (not sure where it went)					49,500												49,500	
BHC		3,106	3,106	3,199	3,699	4,300	6,000	7,250	7,000	6,587	6,500	8,000	7,440	8,210	10,850	10,850	10,850	106,947
FIA									1,372	1,696	1,200	1,200	1,500	1,500	1,600	1,805	11,873	
BHB		79,936	85,736	92,370	99,548	109,188	122,243	134,734	150,184	142,699	149,553	152,826	147,862	147,995	145,001	122,064	145,674	2,027,613
BEDC									500	1,124	1,600	1,556	1,300	1,505	1,564	2,564	11,713	
Bermuda College		13,354	13,860	14,982	17,554	18,195	20,290	20,702	19,869	18,119	18,119	18,119	16,851	16,008	15,528	16,331	16,406	274,287
BBDA											-	4,200	4,500	4,250	4,125	4,125	5,125	26,325
BLDC		3,500	3,000	3,000	5,000													14,500
Bermuda Airport Authority													-		2,512	13,653	15,800	31,965
Gaming Commission													-	1,380	2,500	1,600	-	5,480
Americas Cup													4,408	4,874	23,454	28,428	-	61,164
BTA												-	23,008	21,858	22,700	25,000	26,000	118,566
Sandys Comm Centre/360					505	6,885					2,000	500				200	-	10,090
National Stadium		8,205	438	7,401	10,449	945	450	400	400	950	7,148	2,500	2,250	850	800	800	800	44,786
		\$ 109,084	\$ 113,028	\$ 122,145	\$ 188,649	\$ 148,863	\$ 155,039	\$ 164,301	\$ 180,539	\$ 179,190	\$ 194,760	\$ 197,916	\$ 210,848	\$ 210,322	\$ 237,527	\$ 231,381	\$ 232,430	2,876,022
% EXTERNAL		69%	68%	66%	73%	65%	61%	62%	64%	65%	68%	68%	70%	68%	72%	70%	70%	68%
						External Average over 16 years			\$ 179,751.38									
						Total Average over 16 years			\$ 266,218.63									
						%			68%									
		Conclusion: (68% of all Grants & Contributions are disbursed to Quangos, Corps & some some other majors.																

APPENDIX L

Bermuda Government											
Professional Services Detail											
Per Blue Book		(In Thousands of Dollars \$)									
March 31,2019									Revised		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Budget	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Overseas Consultants	\$ 31,063	\$ 32,060	\$ 21,717	\$ 23,299	\$ 18,106	\$ 13,566	\$ 10,476	\$ 9,159	\$ 7,086	\$ 6,974	(2)
Contractors	20,896	22,709	23,564	24,025	19,074	20,881	16,643	19,068	14,640	16,710	
Medical	22,728	18,268	22,243	18,538	18,531	10,559	10,094	5,591	5,026	4,892	
Local Consultants	19,915	18,656	11,121	10,693	9,916	7,528	7,092	7,741	11,014	9,998	
Security services	5,681	6,605	6,644	7,756	5,964	5,608	5,272	5,307	1,281	1,322	(1)
Legal services	4,441	5,952	7,395	4,363	4,610	5,541	4,660	5,216	5,419	4,002	
Medical Fees non-hospital	1,877	9,120	885	1,541	73	-	-	-	-	-	
War Pension Award	3,371	2,882	2,515	2,381	2,215	2,030	1,968	1,777	1,649	1,680	
Board & Comm Fees	702	830	785	667	657	855	736	994	867	960	
Forensic/Lab services	479	701	422	602	398	320	321	381	727	688	
Membership fees - Govt	214	423	511	624	464	374	388	446	392	408	
Dental services	108	24	49	304	225	118	30	64	46	66	
Counselling services	193	363	216	304	333	271	164	224	314	296	
Examination fees	2	-	234	(4)	202	335	280	379	444	450	
Liquidation services	(688)	(707)	(123)	(38)	(99)	21	122	116	187	75	
Educational services	124	298	74	113	57	59	43	56	96	131	
Recreational services	270	309	231	287	282	263	222	208	204	245	
Child Care services	228	232	185	167	133	166	138	95	160	140	
Forensic/Lab accounting	75	125	123	50	127	61	80	41	157	157	
Jury & Witness fees	126	96	126	133	87	119	141	39	88	115	
Audit fees	48	-	207	-	-	-	-	30	107	87	
Psychological services	17	15	9	17	22	-	7	10	40	20	
Court costs	-	-	7	12	24	11	15	18	18	4	
ID Parade - Police	-	9	23	30	-	20	10	10	30	30	
Animal Control services	8	17	12	29	34	34	35	29	29	29	
Conservation services	53	65	1	11	20	30	-	49	37	50	
Optical services	23	24	17	34	9	12	10	16	29	21	
Chiropodist services	6	6	5	6	5	2	2	3	4	4	
TOTAL	\$ 111,960	\$ 119,082	\$ 99,198	\$ 95,944	\$ 81,469	\$ 68,784	\$ 58,949	\$ 57,067	\$ 50,091	\$ 49,554	58%

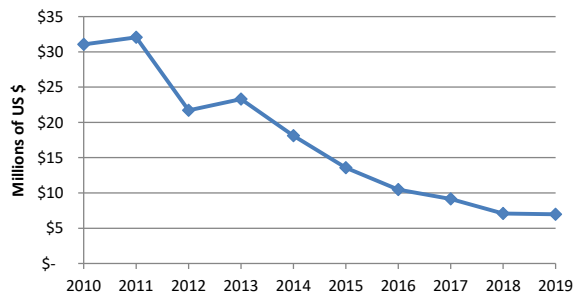
Note: No detail of this expense category was provided in the Budget Blue Book Prior to 2010.

1. The decrease in 2018 was due to the fact these expenses were transferred to the new Quango Bermuda Airport Authority effective April 1, 2017.

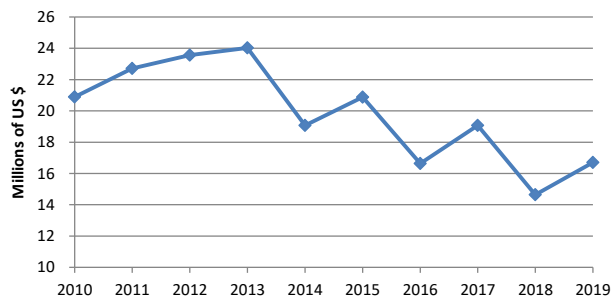
(see page B-191 of the Blue Book)

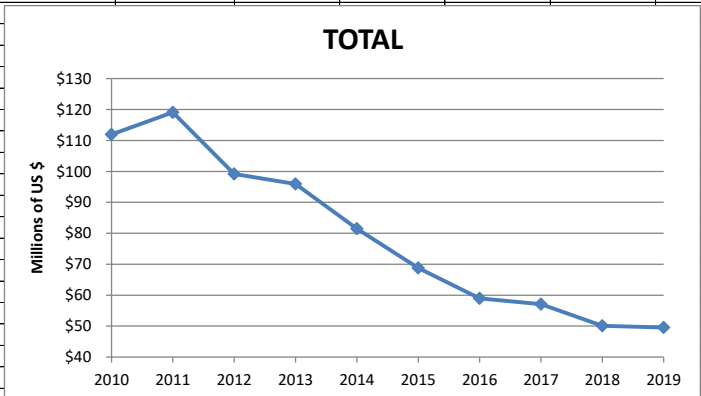
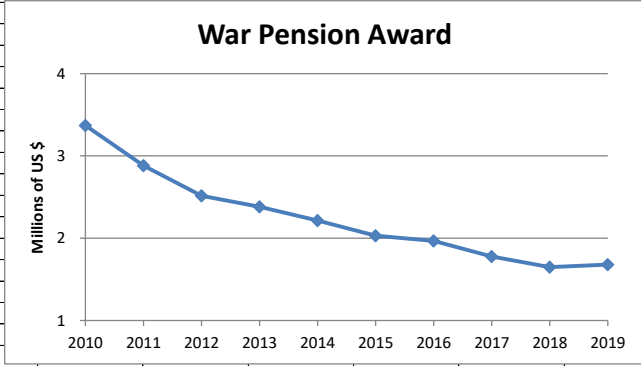
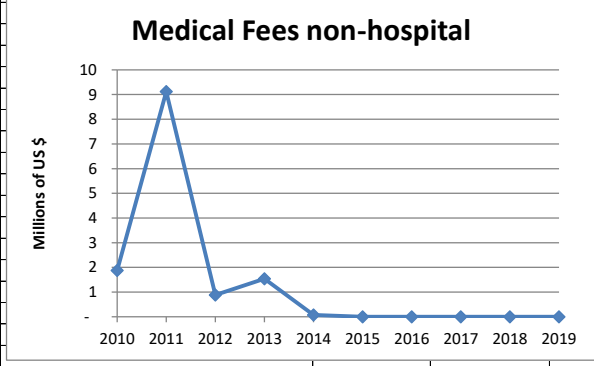
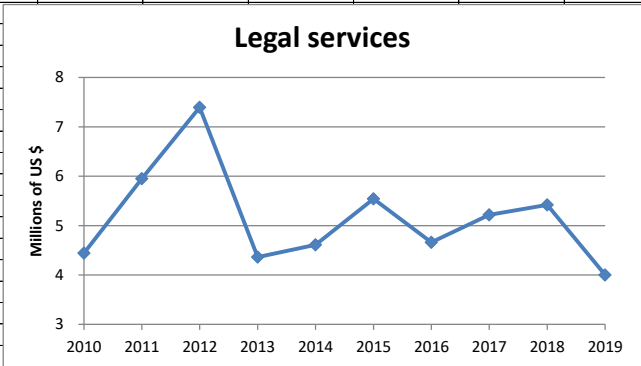
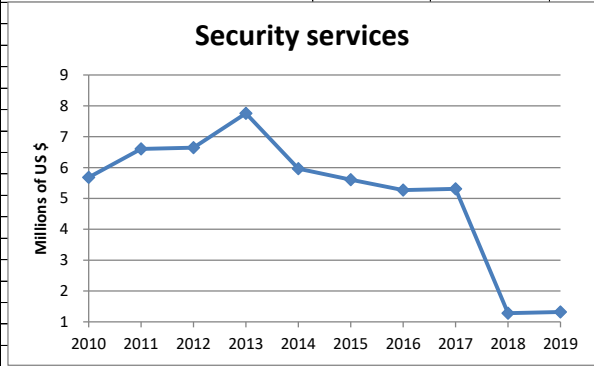
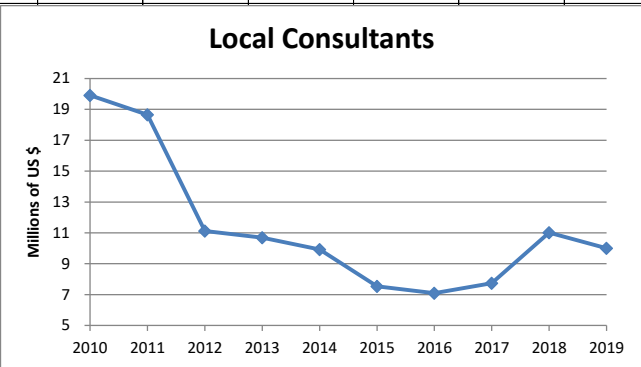
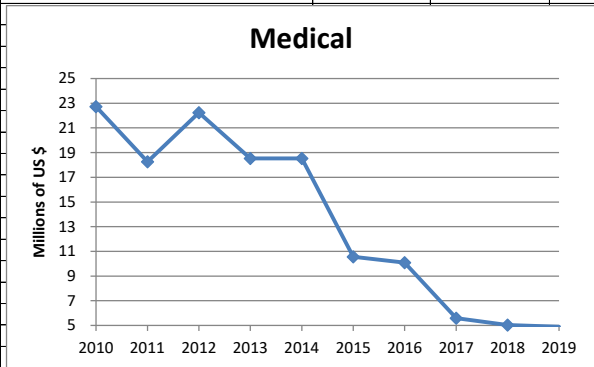
2. \$ 7,000 in costs relating to Tourism was transferred to the new Tourism Authority Quango in 2015.

Overseas Consultants



Contractors





APPENDIX M

Board Fees										
October 2018										
						Per Year				
		CURRENT	CURRENT		#	#	RECOMMENDED	RECOMMENDED		
	Scorecard	Annual	Per Meeting	Total	Of	Of	Annual	Per Meeting	Total	
ENTITY	Score	Fee	Fee		Members	Meetings	Fee	Fee		Savings
Tier 1										
Bermuda Monetary Authority	30	Chair \$75k Other Members \$20k	None	\$ 235,000	9	12	Chair \$50 k, Other Members \$ 8k.	Chair \$2,000, Other Mem \$1,000.	\$ 234,000	\$ 1,000
Bermuda Hospitals Board	26	None	Chair/ Reg Mem \$100/\$50	\$ 1,450	10	10	Chair \$20,000, Other Members \$3k.	Chair \$500, Others \$250	\$ 74,500	\$ 73,050
Regulatory Authority	26	Each Member \$108,000	None	\$ 540,000	5	96	Chair \$30k, Other Members \$10k.	Chair \$800, Other Mem \$550	\$ 358,000	\$ (182,000)
Tier II										
Bermuda Airport Authority	19	Each member \$ 3,000	Chair/ Dep Chair/Reg Mem \$250/\$225/\$200	\$ 38,700	7	12	Chair \$5,000, Other Members \$3k.	Chair \$ 250, Other \$200	\$ 40,400	\$ (1,700)
Bermuda Casino Gaming Commission	20	Chair\$22k, Dep Chair\$18k,Others \$15k	None	\$ 85,000	5	12	Chair \$20,000, Other Members \$5k.	Chair \$500, Others \$250	\$ 58,000	\$ (27,000)
Bermuda Civil Aviation Authority	19	Chair\$9k, Dep Chair\$7k,Others \$5k	None	\$ 41,000	7	6	Chair \$5,000, Other Members \$3k.	Chair \$250, Others \$200	\$ 31,700	\$ (600)
Bermuda Shipping & Maritime Authority	19	Each Member \$24,000	None	\$ 168,000	7	12	Chair \$5,000, Other Members \$3k.	Chair \$250, Others \$200	\$ 40,400	\$ (127,600)
Bermuda Tourism Authority	20	Each Member \$20,000	None	\$ 160,000	8	10	Chair \$10,000, Other Members \$5k.	Chair \$750, Others \$500	\$ 87,500	\$ (72,500)
Tiers III and IV										
Bermuda Land Development Corp	16	Chair\$2500, Dep Chair\$1500,Others \$1,000	Chair/ Dep Chair/Reg Mem \$100/\$75/\$50	\$ 11,000	6	8	None	Chair \$ 200, Other \$150	\$ 8,600	\$ (2,400)
Bermuda Economic Development Corp	14	None	Chair/ Reg Mem \$100/\$50	\$ 4,400	10	8	None	Chair \$ 200, Other \$150	12,400	\$ 8,000
Bermuda Health Council	16	None	Chair/ Reg Mem \$100/\$50	\$ 5,500	10	10	None	Chair \$ 200, Other \$150	15,500	\$ 10,000
Bermuda Housing Corp	16	None	All at \$50 per meeting	\$ 8,250	11	15	None	Chair \$ 200, Other \$150	25,500	\$ 17,250
Pension Commission	18	None	Chair \$125/Reg Member \$75	\$ 6,500	8	10	None	Chair \$ 200, Other \$150	12,500	\$ 6,000
Bermuda College	11	None	Chair \$50/Reg Member \$25	\$ 3,000	9	12	None	Chair \$ 200, Other \$150	16,000	\$ 13,000
St. David's Academy	11	None	Chair/ Reg Mem \$100/\$50	\$ 1,650	10	3	None	Chair \$ 200, Other \$150	4,650	\$ 3,000
Golf Courses	8	None	Chair/ Reg Mem \$100/\$50	\$ 6,000	9	12	None	Chair \$ 200, Other \$150	16,800	\$ 10,800
National Sports Centre	10	None	Chair/ Reg Mem \$100/\$50	\$ 4,200	6	12	None	Chair \$ 200, Other \$150	11,400	\$ 7,200
EDCO	18	None	Chair/ Reg Mem \$100/\$50	\$ 3,600	8	8	None	Chair \$ 200, Other \$150	10,000	\$ 6,400
				\$ 1,323,250					\$ 1,057,850	\$ (258,100)

APPENDIX N

QUANGO BOARD FEES

Fees shall be paid to the members of the Board in accordance with the provisions of the Government Authorities (Fees) Act 1971.

Board fees determined by statutory rates - Chairman: \$100/meeting, Members: \$50/meeting
No special qualifications are articulated in the relevant Acts.

		Number of Meetings	Revenue	Expenses	Staff
PW	West End Development Corporation	8 p.a.	\$18M (2015)	\$21M (2015)	33
ED+T	Bermuda Economic Development Corporation	8 p.a.			7
SD+S	National Sports Centre	1/mth	(Govt Grant 2017 \$800K)		3
PW	Golf Courses	1/mth	(Govt Grant 2017 \$1.25M)		
H	Bermuda Hospitals Board	10 p.a.	\$326M (2013) (Grant \$38M, Subsidy \$114M)	\$312M (2013)	1,600 full-time; +200 on-call/locum
H	Bermuda Health Council	10 p.a.		\$1.3M (2017)	10
E	Cedarbridge Academy	1/school term		\$12.9M (2018)	113

The Chairman and members of the Board shall be paid such fees and allowances as the Minister may determine.

	Board Fees	Qualifications	# Meetings	Revenue	Expenses	Staff
ED+T	Bermuda Tourism Authority Chairman + 7 Members: \$20,000 p.a. each Total Board (2018): \$108,000	Travel and tourism experience.	10 p.a.	\$28M (2016) (Govt Grant 2017 \$22.7M)	\$28M (2016)	44
F	Pensions Commission Chairman: \$125/meeting 7 Members: \$75/meeting Total Board (2017): \$5,975	N/S	10 p.a.	(Govt Grant 2017 \$975K)		

Members of the Board shall be paid such fees and allowances as the Board may, with the approval of the Minister, determine.

	Board Fees	Qualifications	# Meetings	Revenue	Expenses	Staff
PW	Bermuda Housing Corporation Chairman + 10 Members: \$50/meeting each Total Board (2017): \$7,450	At least 1 lawyer + 1 architect.	15 p.a.	\$16M (2016) (Govt Grant 2016 \$8M)	\$18M (2017)	47
E	Bermuda College Chairman: \$50/meeting 8 Members: \$25/meeting Total Board (2017): \$2,025	N/S			\$15.5M (2018)	37 full-time lecturers
T+RA	Regulatory Authority Chairman + 4 Members: \$108,000 p.a. each Total Board (2018): \$517,985	Relevant experience.	2/wk	\$3.76M (2014)	\$3.1M (2014)	12
T+RA	Bermuda Shipping and Maritime Authority Chairman + 6 Members: \$24,000 p.a. each Total Board (2018): \$168,000	Experience relating to maritime affairs, industry, commerce, transportation, finance, law, government or administration.	1/mth			
T+RA	Bermuda Airport Authority Chairman: \$250/meeting Deputy Chairman: \$225/meeting 5 Members: \$200/meeting Quarterly Stipend: \$750 Total Board (2018): \$89,740	Experience relating to civil aviation, industry, commerce, transportation, finance, law, government or administration.	1/mth	(Govt Grant 2017) \$578K		5 management staff

T+RA	Bermuda Civil Aviation Authority	Chairman: \$9,000 p.a. Deputy Chairman: \$7,000 p.a. 5 Members: \$5,000 p.a. Total Board (2018): \$41,000	Experience relating to civil aviation, industry, commerce, transportation, finance, law, government or administration.	Every other month			36
F	Bermuda Monetary Authority	Chairman: \$75,000 p.a. 8 Members: \$20,000 p.a. Total Board (2016): \$368,000 Total Board (2017): \$403,000	Experience in the financial services industry.	As needed	\$48M (2017)	\$49M (2017)	184

4 (a) There shall be paid to the Chairman and other members, out of the funds of the Commission, such salaries, fees and allowances as the Commission may from time to time determine.

		Board Fees	Qualifications	# Meetings	Revenue	Expenses	Staff
ED+T	Casino Gaming Commission	No requirement of approval from the Minister. Chairman: \$22,000 p.a. (2017). \$60,000 p.a. (2018) Deputy Chairman: \$18,000 p.a. (2017), \$48,000 p.a. (2018) 3 Member: \$15,000 p.a. (2017), \$36,000 p.a. (2018) Total Board 2017: \$85,000 Total Board (2018): \$102,000	Chairman - barrister + 5 years experience; - public accountant ; - 1 person with a background in law enforcement or antimoney laundering or anti-terrorist financing or compliance issues; - 1 person with a background in the tourism or hospitality industry.	1/mth	(Govt Grant 2017 \$2.5M)		8

4 (b) The remuneration of the Directors shall be determined by the Company.

		Board Fees	Qualifications	# Meetings	Revenue	Expenses	Staff
PW	Bermuda Land Development Company	Chairman: \$2,500 p.a. + \$100/meeting Deputy Chairman: \$1,500 p.a. + \$75/meeting 4 Members: \$1,000p.a. + \$50/meeting Total Board (2018): \$14,200	N/S	8 p.a.	\$7M (2009) (Rental income)	\$7M (2009)	26

No specific governing legislation:
F **Bermuda Business Development Agency**

APPENDIX O

Efficiency Committee

Quango Boards Fee Structure

2 October 2018

Executive Summary

Purpose

1. The overarching aim of this report is to set standards for fee payments to Quango Board members and thus achieve cost savings for the Government. The purpose of this proposal is to recommend criteria for standardizing the approach to classifying Quango Boards.
2. The Efficiency Committee noted the discrepancies in fees paid to the Board members of various Government Quangos. The Policy and Strategy Section (PSS) reviewed the current legislation of the 18 Quangos and proposed criteria to standardize Quango Board member fees.
3. Options for standardising criteria to determine Quango Board fees include:
 - a. set all Quango Board fees the same, either in line with the Government Authorities (Fees) Act 1971 or in accordance with a separate and specific standard; or
 - b. establish a framework of agreed and measurable criteria that enables differentiation between the Quango Boards and provides a tiered system for fee payment.
4. Several other jurisdictions have established similar frameworks with criteria, including both quantitative and qualitative data, to determine fees paid to Board members. The frameworks in these jurisdictions have differentiated judicial and quasi-judicial boards, advisory committees, regulatory boards, service providers, etc. These frameworks do not include performance-based measures. The common criteria amongst the five jurisdictions examined include:
 - a. the nature/function of work;
 - b. skills and qualifications required of board members;
 - c. complexity of service;
 - d. risk/ risk of failure;
 - e. annual budget;
 - f. assets managed/size of operation/workload of the board; and
 - g. economic/social impact.

Recommendation

5. The Efficiency Committee recommends that the accompanying rubric, utilising the common criteria of other jurisdictions, be adopted for the assignment of Quango Boards to various levels or tiers. A subsequent fee schedule can then be assigned to the tiers.

Considerations

6. One of the major challenges is determining the criteria to be used to differentiate the Bermuda Government Quango Boards and establishing the range for each criterion. The criteria chosen must have applicability across Quangos with regulatory or service provision functions yet distinct enough to differentiate between the various Quangos. It is expected that no one criterion will be determinative although the weighting across criteria may vary, with justification.
7. For each criterion, in order to distinguish between the Quango Boards, a determination is required to define the criterion and the parameters, and establish levels ranging from 'high' or 'most' to 'low' or 'least.'
8. Based on the comments of Efficiency Committee Members along with the practice of other jurisdictions with similar independent legislated Boards, a rubric with select criteria is recommended. The seven common criteria from the other jurisdictions have been used as a starting point for differentiating Bermuda's Quangos along with the inclusion of the extent of self-financing.
9. Each Quango is assessed by each of the criteria and assigned a level that also serves as a grade. Grades are totaled, resulting in a final score that places the Quango Board into one of four tiers for fee payment of the Board members.
10. Assessment gives consideration to the following:
 - a. differential assessment of regulatory Quangos versus those that provide a service;
 - b. equal or differential weighting for the criteria selected;
 - c. the required workload expected of the majority of members; and
 - d. legislated requirements for industry specific skills, expertise and/or qualifications.
11. In assigning fees, additional consideration must also be given to:
 - a. differential fees for Chairs and Deputy Chairs and members;
 - b. annual or per meeting payments; and
 - c. payments for subcommittee responsibilities and meetings.
12. Application of the rubric allows a less partial and more consistent approach for comparison and standardisation of the Bermuda Government Quango Boards for assignment of fees. It would also allow future submissions to be considered regarding changes in existing Quangos or the development of new Quangos.

Rubric for Assessing Bermuda Quango Boards for Assignment of Fees

	LEVEL			
	4 (high/ most)	3	2	1 (low / least)
CRITERIA				
1. Function of Quango <i>What is the prime function?</i>	Regulatory: Regulatory function with significant international dimensions (impact and/ or requirements) which can impact on operating capability.	Regulatory function with some international dimensions on operating capability.	Regulatory function for local commercial or non-commercial sectors.	Regulatory function with single sector impact.
	Provider of Services: The lead provider of a specific service to the Government that is more effectively delivered by a Quango than from within Government.	Delivers a specific service to the Government that has generalized impact across a number of industry sectors.	A provider of specific services to a few sectors.	Provider of services with single sector impact.
2. Complexity of Quango <i>What is the level of complexity of issues and impact of outcomes?</i>	Very complex issues with no past decisions for guidance. Outcomes impact multiple industries or a very large client base, engaging multiple international and local stakeholders and managing consumer demand.	Some issues will be very complex with few previous decisions for guidance. Outcomes impact an industry or a large client base associated with oversight of multiple stakeholder interests or segments of the community or the economy or budget outcome.	Some issues will be complex requiring analysis and careful judgement but other issues will be straightforward and may be resolved quickly through consistent application of established guidelines. Well defined operations delivered in a stable environment; outcomes impact on limited industry or stakeholders or consumers.	Situations require consideration and judgement, but usually under established guidelines and affecting a small sector of public life.
3. Source of Income	Self-financing, all revenues received through the operations of the agency.	Self-financing, with financing for capital projects from the Government or guaranteed by the Government.	Up to 50% of revenue received from the Government for operations.	51 – 100% of revenue received from the Government for operations

4. Revenue/Budget	Manages a budget exceeding \$35M	Manages a budget between \$21M and \$35M	Manages a budget between \$11M and \$20M	Manages a budget of less than \$11M
5. Risk <i>What are the potential risks associated with failure to deliver the operations of the agency?</i>	Failure of the entity would have a critical, possibly devastating impact on the island or industry. It would severely impact international and local public confidence in the Government.	Failure would have a significant and direct impact on the island or industry. It may moderately impact international and/or local confidence in the Government.	Failure would have some impact on the industry or sector. It would have a low risk exposure for the government.	Failure would have minimal impact on the industry or sector. It would have almost no risk exposure for the government.
6. Qualifications, Skills, and Expertise of Board <i>Are specific qualifications, skills & expertise required by the majority of members?</i>	Industry-specific qualifications, skills and/or expertise are required and articulated in legislation.	Relevant qualifications and/or substantial skills, expertise or knowledge, while not articulated in legislation, are required.	Suitable qualifications, skills, expertise and/or knowledge would be beneficial as would experience in a professional or leadership role. May include widely respected people with broad community support.	No specific qualifications are required or indicated. Members would have broad general knowledge or represent a body of opinion. May include widely respected people with broad community support.
7. General Workload <i>What is the required workload expected of the majority of members? (The Chairman is assumed to have a greater responsibility.)</i>	Strategic direction and planning, budget and revenue management, ensure outcomes, lead subcommittee work. (In excess of 20 hours per month, on average)	Strategic and operational reviews, budget and revenue oversight. (13-19 hours per month, on average)	Preparation for and contributions at meetings, review of operational and annual reports. (7-12 hours per month, on average)	Attendance at meetings, involvement in discussions, review of annual reports. (up to 6 hours per month, on average)
8. Economic or Social Influence/ Public Profile	High profile; broad public and international interest and scrutiny likely.	Moderate profile; strong interest likely from large sectors of the public.	Limited profile; public interest likely to be localized to area, sector or discipline.	Low profile; generally non-controversial findings or recommendations.

Scores Based on 8 Criteria

SCORE	LEVEL	Chairman	Member
26-32	I	\$	\$
19-25	II	\$	\$
12-18	III	\$	\$
11 or less	IV	\$	\$

Context

13. The Efficiency Committee identified the discrepancies in fees paid to the Board members of various Government Quangos and noted the lack of standards in place for establishing Quango Board fees. They requested that the Policy and Strategy Section review the current legislation and propose criteria that could be used to standardise Quango Board member fees.
14. The estimated annual cost of payments for Quango board members is in excess of \$1.3M.
15. Management Consulting Services conducted a functional review of Quangos in 2003 – *Untangling Bermuda's Quangos: A review of Quangos in the Bermuda Government*, October 2003. Its purpose was “to determine whether Bermuda’s Quangos as currently constructed are meeting the Government’s aims and if not recommend methods of achieving alignment; determine whether there is accountability to the Government and if not, recommend an adequate structure to accomplish this task; and to develop mechanisms for ongoing review.”
16. From this report, a QUANGO was defined as follows:

“Quasi-Autonomous Non-Governmental Organisations (QUANGO) are hybrid entities whose governance model encompasses elements of both government and private business. They typically receive public funding to carry out a variety of **advisory**, **regulatory**, and/or **commercial** functions. They operate under statutory provisions, employ their own staff and are responsible for the administration of their budgets. QUANGOS are ultimately responsible to the Minister.

A Quango must be grounded in its own legislation, have a clear mandate, maintain a separate account, strive towards self-sustainability, be a body-corporate, and be accountable to a Minister while operating at arms-length from the Government.”

“Quangos are given the freedom to conduct the day-to-day operations that will result in fulfilling the Government’s objectives; and make decisions without political influence. All Quangos were established to fulfil a Government need in response to public demand. Ministers are not involved in the day-to-day operations of the Quango but are required to provide direction to the Quangos to ensure alignment with Government initiatives.”
17. The report set out the characteristics of an effective Quango:
 - Should not be restrained in its ability to function as an independent body.
 - Employees of Quangos should have a degree of selflessness, making decisions solely in terms of public interest.
 - Must have the funding and resources to be proactive and to operate strategically.

- Must have considerable safeguards against political interference.
- Must have a clearly defined link with the Government.
- Must be accountable, subject to public scrutiny in its finance and performance, and open to stakeholder concerns.
- Accommodates self-critique and openness.

Bermuda Government Quangos

18. Currently, there are 18 Quangos. These can be grouped into two broad categories based on their primary function: service providers and regulators.

Service Providers – Deliver a specific service to the Government that should be more effectively delivered by a Quango than from within Government.

	QUANGO	Specific Governing Legislation
1.	Bermuda Airport Authority (BAA)	Bermuda Airport Authority Act 2017
2.	Bermuda College	Bermuda College Act 1974
3.	Bermuda Economic Development Corporation (BEDC)	Bermuda Economic Development Corporation Act 1980 Economic Development Act 1968 Economic Development (Designation of Economic Empowerment Zone) (North East Hamilton) Order 2007 Economic Development (Designation of Economic Empowerment Zone) (Somerset) Order 2011 Economic Development (Designation of Economic Empowerment Zone) (St George's) Order 2011 Vending Act 2015
4.	Bermuda Hospitals Board (BHB)	Bermuda Hospitals Board Act 1970 Mental Health Act 1968
5.	Bermuda Housing Corporation (BHC)	Bermuda Housing Act 1980
6.	Bermuda Land Development Company (BLDC)	Base Lands Development Act 1996
7.	Bermuda Tourism Authority (BTA)	Base Lands Development Act 1996
8.	CedarBridge Academy	Education Act 1996
9.	Golf Courses	Golf Courses (Consolidation) Act 1998
10.	National Sports Centre (NSC)	National Sports Centre Trustees Act 1988
11.	West End Development Corporation (WEDCo)	West End Development Corporation Act 1982

Regulators – Perform an independent oversight function that promotes, monitors and ensures compliance with the relevant Act for a particular industry.

	QUANGO	Specific Governing Legislation
12.	Bermuda Casino Gaming Commission (BCGC)	Casino Gaming Act 2014
13.	Bermuda Civil Aviation Authority (BCAA)	Bermuda Civil Aviation Authority Act 2016
14.	Bermuda Health Council (BHeC)	Bermuda Health Council Act 2004 Health Insurance Act 1970
15.	Bermuda Monetary Authority (BMA)	Bermuda Monetary Authority Act 1969
16.	Bermuda Shipping and Maritime Authority (BSMA)	Bermuda Shipping and Maritime Authority Act 2016
17.	Pension Commission	National Pension Scheme (Occupational Pensions) Act 1998 Pension Trust Funds Act 1966
18.	Regulatory Authority (RA)	Regulatory Authority Act 2011

19. While the governing legislation for the various Quangos has a number of common elements, there are two notable exceptions:

- a. CedarBridge Academy – is governed by the Education Act 1996 rather than having its own legislation.
- b. BLDC – is a local company limited by shares with the Premier and Minister of Finance and the Minister of Public Works identified as the two members on the Register of Members. Directors of the Board are elected or appointed by the Members, as per the BLDC bye-laws.

20. Seven of the Quangos were setup with the intention of being self-financing, utilizing the revenue generated from their functions. These are:

- a. WEDCO
- b. BLDC
- c. BMA
- d. BSMA
- e. BCAA
- f. RA
- g. BCGC

21. Currently, the differential Board fees based on legislation are as follows:

QUANGO	Chair	Members	Appointed Members	Total Board (p.a.)
Paid according to the Government Authorities (Fees) Act 1971				
WEDCO	\$100/meeting	\$50/meeting	8	\$3,600 (est.)
BEDC	\$100/meeting	\$50/meeting	10	\$4,800 (est.)
National Sports Centre	\$100/meeting	\$50/meeting	6	\$4,200 (est.)
Golf Courses	\$100/meeting	\$50/meeting	7-11	\$7,200 (est.)
BHeC	\$100/meeting	\$50/meeting	10	\$6,000 (est.)
Cedarbridge Academy	\$100/meeting	\$50/meeting	10	\$1,650 (est.)
Paid such fees and allowances as the Minister may determine				
BTA	\$20,000 p.a.	\$20,000 p.a.	8	\$108,000
Pension Commission	\$125/meeting	\$75/meeting	8	\$5,975
BHB	\$100/meeting	\$50/meeting	10	\$5,500 (est.)
Paid such fees and allowances as the Board may, with approval from the Minister, determine				
BHC	\$50/meeting	\$50/meeting	11	\$7,450
Bermuda College	\$50/meeting	\$25/meeting	9	\$2,025
Regulatory Authority	\$108,000 p.a.	\$108,000 p.a.	5	\$517,985
BSMA	\$24,000 p.a.	\$24,000 p.a.	7	\$168,000
BAA	\$250/meeting	\$200/meeting	7	\$89,740
BCAA	\$9,000 p.a.	\$5,000 p.a.	7	\$41,000
BMA	\$75,000 p.a.	\$20,000 p.a.	9	\$403,000
Paid fees and allowances as the Commission may from time to time determine, out of the funds of the Commission				
BCGC	\$22,000 p.a.	\$15,000 p.a.	5	\$85,000
The remuneration of the Directors shall be determined by the Company				
BLDC	\$2,500 p.a. + \$100/meeting	\$1,000 p.a. + \$100/meeting	6	\$14,200

(Estimates are based on number of Board members and minimum number of meetings as per the relevant legislation. Other financials were received from the Permanent Secretaries or gathered from Annual Reports.)

22. A number of concerns were expressed by the Members of the Efficiency Committee. These included:
- a. The cost to Government, particularly of newer Quango Boards;
 - b. Oversight of the functionality of the Quango Boards in achieving their mandate;
 - c. In more recent years, a change in attitudes of those serving on boards from one of community service to one of fee-for-service;
 - d. The ability to recruit and retain Quango Board members for lesser fees;
 - e. The accountability of the Quango Boards;
 - f. Whether the Quangos do provide a more efficient and rational means for organising public business; and
 - g. The basis of appointment of persons to Quango Boards.
23. Suggestions from the Efficiency Committee for criteria for establishing Quango Board fees included: risk analysis of decision making, level of responsibilities, extent of work required, experience/expertise required, legislated responsibilities.

Other Jurisdictions

24. Frameworks for differentiating government Boards for fee payment in other jurisdictions were examined. Several jurisdictions have established criteria and rubrics to differentiate between government boards and thus the fees assigned to Board members. The Boards included: advisory boards, judicial or quasi-judicial boards, crown corporations, service providers and regulators. The following provided reference material:
- a. *Appointment and Remuneration Guidelines*. Victoria State Government, Australia. 1 July 2018.
https://www.dpc.vic.gov.au/images/documents/Policies/appointment_and_remuneration_guidelines_-_effective_from_1_july_2018.pdf
 - b. *Remuneration Procedures for Part-time Chairs and Members of Queensland Government Bodies*. Queensland Government, Australia. 18 May 2016.
<https://www.qld.gov.au/about/how-government-works/other-government-bodies/authorities-commissions/assets/remuneration-procedures.pdf>
 - c. *Fees framework for members appointed to bodies in which the Crown has an interest*. Wellington Cabinet Office, New Zealand. 19 December 2012.
<https://www.dpmc.govt.nz/sites/default/files/2017-03/coc-12-06.pdf>
 - d. *Boards and Committees – Remuneration Framework*. Government of South Australia. 10 December 2007.
<https://dpc.sa.gov.au/documents/rendition/B17645>

- e. *Public Bodies Handbook – Part 1. Classification of Public Bodies: Guidelines for Departments*. UK Cabinet Office.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/519571/Classification-of-Public_Bodies-Guidance-for-Departments.pdf

- f. *Remuneration Guidelines for Appointees to Ministry and Crown Agency Boards*. British Columbia, Canada. 5 September 2016.

<https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/government-finances/treasury-board-directives/tbd2-17-remuneration-guidelines-for-appointees-to-crown-agency-boards.pdf>

25. Within these frameworks from other jurisdictions, both quantitative and qualitative criteria were used. Quantitative criteria, such as budget managed and qualifications required, enable distinct categories to be readily determined and used to differentiate between Boards. Qualitative criteria, such as complexity, risk and impact, are less precise and require consideration of the select elements that should be used to differentiate Boards.
26. There is a tendency to equate payment of Quango Board members with performance of the Board and Quango. Fee payment based on performance measures would require the development of specific and relevant performance objectives for evaluation by which each is assessed. Performance would be judged against these agreed standards and corrections in performance made, monitored and evaluated. Performance based fees are a separate and distinct pursuit and do not form part of this proposal.
27. A comparison of the criteria used in other jurisdictions to differentiate Boards for fee payment is presented in the following table:

Comparison of Other Jurisdictions: Criteria Used to Differentiate Board Fees

CRITERIA	JURISDICTION				
	Victoria, Australia	Queensland, Australia	South Australia	Wellington, New Zealand	British Columbia, Canada
1. Nature/Function of Work	✓	✓		✓	✓
2. Skills/ Qualifications	✓	✓	✓	✓	✓
3. Independence from Government		✓	✓		
4. Accountability/ Responsibility	✓				
5. Complexity of Service	✓	✓	✓	✓	✓
6. Risk (of failure)	✓	✓	✓	✓	
7. Personal Risk	✓			✓	
8. Impact of Decisions			✓	✓	
9. Economic/Social Impact		✓	✓	✓	
10. Budget size	✓	✓	✓		✓
11. Assets Managed/Size of Operation/ Workload	✓	✓	✓	✓	✓
12. Public Profile	✓			✓	
13. Strategic Importance			✓		✓
14. Recruitment and Retention Issues				✓	
15. Comparability					✓

Considerations for Establishing Criteria for differentiating Bermuda's Quangos

28. A selection of the common criteria used in other jurisdictions should form the basis of a rubric to differentiate the Bermuda Government Quango Boards into tiers for fee payment.

29. For each criterion, in order to distinguish between the Quango Boards, a determination is required to

- a. define the criterion and the parameters, and
- b. establish levels ranging from 'high' or 'most' to 'low' or 'least.'

30. Quantitative criteria, such as annual budget, or skills sets required, allow for easier distinction between levels. The size of the budget for Bermuda's Quangos as a differentiating criterion is presented as an example, below:

	Level			
Criterion:	4 - highest	3	2	1 - lowest
Budget - the total value of resources required for the performance of the operation	Budget exceeds \$35M	Budget between \$21M and \$35M	Budget between \$11M and \$20M	Budget of less than \$11M
Quangos:	BHB, BMA	BTA, WEDCO	BAA, BHC, Bermuda College, CedarBridge Academy, BCAA	BLDC, BCGC, BEDC, BHeC, National Sports Centre, Golf Courses, RA, BSMA, Pension Commission

31. Qualitative criteria such as complexity, risk and impact present more challenges and require further discussion to better define what is included in each criterion and distinguish between the highest and lowest levels.

32. Examples from other jurisdictions provide illustrations, as follows.

Nature/Function of Work

EXAMPLE Queensland, Australia: Nature/Function of Work

Regulator: "Government body which regulates registration, licensing or accreditation for professions, business and industry and/or the administration or enforcement of an Act. The body may also be responsible for addressing complaints regarding the conduct of a professional, an industry or a business and deciding disputes referred to it under an Act. Regulation activities may impact on a Government department or entity, or the rights of a profession, an industry, a business, or individual practitioners. Scope of operation usually in a strategic area of government service or economic activity."

Service Provider/Administration: "Government body which administers or manages a range of activities and resources. The body would usually be responsible for managing the operations of a small entity established under an Act or other instrument. Responsibilities may include making decisions or recommendations about the allocation of funding, administering a trust, facilitating and promoting research, funding and managing contracts for training/education programs and protecting and improving natural resources."

EXAMPLE Wellington, New Zealand: Nature/Function of Work

Regulatory

Level 5: "National safety regulatory function for a commercial trading environment where significant international dimensions can impact on operating capability."

Level 4: "National safety regulatory function for a commercial trading environment."

Level 3: "National safety regulatory function for a non-commercial trading environment."

Level 2: "Regulatory."

Level 1: "Minor regulations required."

Service Providers

Level 5: "The lead provider of services in a commercial trading environment, where market leadership is important."

Level 4: "A provider of services in a commercial trading."

Level 3: "The major provider of services where there is limited competition."

Level 2: "A provider of services where there is limited competition."

Level 1: "Provider of services (not in a competitive environment or protected by statute)."

Complexity

EXAMPLE Queensland, Australia: Complexity of Service

High Level Complexity (Level 1): “Outcomes impact on multiple industries or a very large client base (i.e. state-wide), engaging with multiple competing stakeholders and managing consumer demand; dynamic operational environment characterized by uncertainty. May involve developing relationships with private sector operators and not-for-profit organizations to transform service delivery; requires a high level of managerial or professional expertise.”

High to Moderate Level Complexity (Level 2): “Outcomes impact on an industry, or regional, or a large client base (i.e. multiple local government areas), or state-wide impact associated with oversight of multiple stakeholders’ interest and/or major segments of the community or the state’s economy or budget outcome; operational environment is subject to change.

Moderate Level Complexity (Level 3): “Local or well-defined operations delivered in a stable environment; outcomes impact on limited industry, stakeholders or consumers.”

EXAMPLE Wellington, New Zealand: Complexity of Service

Level 5: “Very complex issues with no past decisions for guidance. Each situation will be significantly different to others and the solution required is often unique. Decisions may affect the application of multiple statutes.”

Level 4: “Some issues will be very complex with few previous decisions for guidance. Decisions will usually be limited to a single statute but may involve the application of international conventions and covenants.”

Level 3: “Complex issues requiring analysis and consideration of potential alternative solutions. While each case will be treated on its merits there will often be previous decisions for guidance.”

Level 2: “Some issues will be complex requiring analysis and careful judgment but other issues will be straightforward and may be resolved quickly through consistent application of established guidelines.”

Level 1: “Situations require consideration and judgment, but usually under one statute and established guidelines.”

Risk

EXAMPLE Queensland, Australia: Risk of failure

High Level Risk (Level 1): “Government body which oversees a government entity whose failure would have a critical, possibly devastating impact on the State or industry, or may severely impact public confidence in the government.”

High to Moderate Level Risk (Level 2): “Government body which oversees a government entity whose failure would have a significant and direct impact on the reputation of a department or government body, or may moderately impact public confidence in the government.”

Moderate Level Risk (Level 3): “Government body which operates, or who oversees a government entity, with low risk exposure for the government and the State.”

Notes:

33. This proposal does not establish the criteria for assessing effectiveness and value for money of the Quangos and/or the Quango Boards in achieving their mandate, legislated or otherwise. This proposal does not examine the degree of responsibility and accountability of the Quangos and/or the Quango Boards.
34. This proposal does not suggest determinants for existing Quangos or for establishing new Quangos.
35. This proposal does not address nomination or selection of candidates to serve on Quango Boards.
36. If adopted, an implementation plan along with any legislative changes should be developed.

Recommended Fee Structure for Bermuda Quango Boards

Notes to accompany Board Fees spreadsheet

1. The higher fees for many of the newer Quango Boards relative to the older Quango Boards was noted. This recommended fee structure presents a cost savings overall to Government and a shift in current fee levels.
2. The rubric for standardizing the classification of Bermuda Quango Boards was utilised to assess and place the Quango Boards into tiers based on evaluative and differentiating criteria. Board fees were assigned based on this placement along with other considerations.
3. The Fee schedule proposed does not include additional payments for subcommittee responsibilities and meetings. Such responsibilities were considered in the rubric. Additional payments would increase the expense.
4. While some consideration of workload and responsibility has been considered, this recommendation does not take into account performance, effectiveness or value for money.
5. The Chairman is assumed to have a higher workload and greater responsibility than the other members of the Board. This is reflected in differential fees for the Chair in comparison to the regular members. Deputy Chairmen have been assigned the same fees as regular members.
6. Differences were noted for: (a) regulatory Quangos versus those that provide a service; and (b) self-financing Quangos versus those fully funded by the Government.
7. It is recommended that fees for Board members in Tiers III and IV be standardised as a per meeting fee with the Chair receiving \$200 and the regular members receiving \$150 per meeting, with no annual fee. It is recognised that this value represents a departure from the fee schedule of the Government Authorities (Fees) Act 1971.
8. It is recommended that fees for Board members in Tiers I and II receive both an annual fee and a per meeting fee. The intent is to encourage recruitment of suitable candidates along with attendance and participation of members at meetings. This is similar to some board models in the private sector.

The Committee recognised that there are some significant variations in fees paid to board members within the same Tier Group. However, it was the Committee's view that adjustments to the existing board fees needed to be phased-in over a period of time. Accordingly, some board fees will be higher or lower in the short to medium term than other boards in the same Tier Group.

9. Notes on specific Boards include the following:
 - a. Bermuda Hospitals Board (BHB) – The fees proposed represent a significant increase over the standard fees currently in place. This is a reflection of the placement of the BHB in the tier system based on application of the rubric, with high scores in functionality, budget, risk and public profile.
 - b. Regulatory Authority – Currently, this is very much a 'working board.' This is likely to continue as long as new regulatory components are added. It can be anticipated that once regulations have been developed, the focus will shift to management of challenges and remedies. The fees have been re-aligned, with more current work volumes than when first established and with other Boards. Hiring staff with relevant qualifications, skills and expertise could reduce the need for a working Board.
 - c. Bermuda Casino Gaming Commission – This Board, while intended to be self-financing, has yet to realise full functionality and self-financing.

- d. Bermuda Land Development Company and Bermuda Housing Corporation – Recent organisational changes announced by the Minister of Public Works along with the retention of the two Boards are noted.

10. This recommended fee structure does not propose changes in Board fees other than Quango Boards.

APPENDIX P

APPENDIX Q

Efficiency Committee								
Financial Assistance								
For the year ended March 31, 2018								
Support Area	18 - 25	26 - 35	36 - 45	46 - 55	56 - 65	66 & Over	Total	%
Adult Day Care	\$ 7,400	\$ 2,790	\$ -	\$ -	\$ 1,100	\$ 41,782	\$ 53,072	0.12%
After school/camps/transportation	1,500	6,261	1,224	800	-	-	9,785	0.02%
Auditory equipment	-	-	-	-	-	8,065	8,065	0.02%
Auditory exam	-	350	-	-	-	4	354	0.00%
Belco 1 to 2 persons	3,665	31,802	43,346	88,710	174,820	345,902	688,245	1.53%
Belco 3 to 4 persons	2,108	51,630	46,211	26,547	11,664	12,153	150,313	0.33%
Belco 5 or more persons	526	19,181	18,114	1,004	1,214	2,352	42,391	0.09%
Child day care allowance	328,390	1,045,118	316,650	-	6,800	-	1,696,958	3.77%
Chiropody	-	250	-	182	100	564	1,096	0.00%
Dental	701	6,285	5,958	13,821	27,879	23,616	78,260	0.17%
Disability allowance	120,420	233,154	290,664	359,934	606,717	98,674	1,709,563	3.79%
Disability equipment or service	50	5,505	12,670	29,841	24,595	31,562	104,223	0.23%
Eye care examination	300	100	600	1,544	1,305	1,320	5,169	0.01%
Eye care frames	668	700	2,408	5,742	4,550	3,966	18,034	0.04%
Food - (PWA) Adult female	-	4,847	-	3,810	9,870	2,240	20,767	0.05%
Food - (PWA) Adult Male	-	-	213	-	8,017	16,353	24,583	0.05%
Food - (PWA) Pregnant adult	-	2,619	-	-	-	-	2,619	0.01%
Food - (PWA) 15 to 18 Female	-	-	631	-	-	-	631	0.00%
Food - 1 to 6 years	7,025	68,856	25,652	7,209	-	-	108,742	0.24%
Food - 11 to 14 years	-	44,079	40,730	29,876	5,266	4,138	124,089	0.28%
Food - 7 to 10 years	2,044	43,450	34,502	6,218	3,576	834	90,624	0.20%
Food - adult female	26,571	191,640	197,979	266,745	442,147	774,776	1,899,858	4.22%
Food - adult male	22,300	113,680	219,334	358,508	577,565	844,486	2,135,873	4.74%
Food - female 15 to 18 years	-	5,951	34,605	23,510	4,975	4,204	73,245	0.16%
Food - male 15 to 18 years	-	10,278	30,587	46,707	13,398	-	100,970	0.22%
Food - months 0 to 1	-	-	200	-	-	-	200	0.00%
Food - months 2 to 3	-	926	100	-	-	-	1,026	0.00%
Food - months 4 to 7	402	2,324	822	-	-	-	3,548	0.01%
Food - months 8 to 11	1,832	4,131	2,190	-	500	-	8,653	0.02%
Food - nursing mother	702	351	702	-	-	-	1,755	0.00%
Food - pregnant adult	4,021	13,834	5,509	-	-	-	23,364	0.05%
Food - supplementary	571	335	5,167	1,659	300	2,623	10,655	0.02%
Fuel - cooking	-	5,372	4,050	8,203	10,362	12,922	40,909	0.09%
Funeral expenses	-	3,000	3,000	15,000	23,880	131,518	176,398	0.39%
Future care	-	-	-	-	5,510	4,106,920	4,112,430	9.13%
Group home	43,728	31,307	9,078	47,002	107,330	43,445	281,890	0.63%
Hearing aids	-	-	-	-	5,890	5,200	11,090	0.02%
HIP	151,357	564,961	751,998	1,071,917	1,826,911	64,524	4,431,668	9.84%
Home care	33,635	20,811	24,513	120,855	63,127	263,356	526,297	1.17%
Insurance medical	14,817	29,097	26,081	36,582	64,894	624,437	795,908	1.77%
Laundry	9,079	78,964	89,702	104,317	159,027	174,732	615,821	1.37%
Medical equipment	15,362	22,058	7,244	7,805	21,012	59,973	133,454	0.30%
Medical overseas travel	-	433	-	-	523	902	1,858	0.00%
Medical supplies	4,626	10,212	13,050	7,759	11,464	38,588	85,699	0.19%
Medication	-	13,773	31,146	3,246	12,869	29,678	90,712	0.20%
Nursing home	-	-	99,292	47,000	485,940	5,446,684	6,078,916	13.49%
Podiatry	-	180	610	616	2,200	4,472	8,078	0.02%
Public transportation - adult	5,870	31,356	31,004	49,474	82,874	1,696	202,274	0.45%
Rent - 1 bed	88,264	405,816	522,324	624,734	1,266,853	3,847,866	6,755,857	14.99%
Rent - 2 bed	33,264	704,154	566,573	522,831	650,095	1,024,924	3,501,841	7.77%
Rent - 3+ bed	16,614	289,283	365,212	167,753	138,575	363,708	1,341,145	2.98%
Rent - studio	1,150	47,993	54,308	241,181	241,337	613,748	1,199,717	2.66%
Rest home	-	84,625	74,119	161,382	589,789	3,157,014	4,066,929	9.03%
Room	37,328	63,703	98,161	220,659	292,977	323,314	1,036,142	2.30%
Room & Board	-	14,470	19,839	29,484	22,246	29,800	115,839	0.26%
Telephone	2,000	14,681	20,046	28,751	54,482	84,378	204,338	0.45%
Under-Garments/shoes	-	776	126	80	-	-	982	0.00%
Water	-	18,546	7,840	3,683	5,756	10,426	46,251	0.10%
							-	0.00%
	\$ 988,290	\$ 4,365,998	\$ 4,156,084	\$ 4,792,681	\$ 8,072,281	\$ 22,683,839	\$ 45,059,173	100.00%
	2.19%	9.69%	9.22%	10.64%	17.91%	50.34%		
Summary Groupings								
Electricity & Cooking Fuel		921,858	2.05%					
Food		4,631,202	10.28%					
Health care(Includes Future care&HIP)		9,781,875	21.71%					
Rent		12,798,560	28.40%					
Rest Home & Room & Board		12,106,013	26.87%					
Child day care		1,696,958	3.77%					
Disability allowance & Equipment		1,813,786	4.03%					
All other		1,308,921	2.90%					
		\$ 45,059,173	100.00%					

APPENDIX R

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
01 NON_MINISTRY DEPARTMENTS		
00001 GOVERNOR AND STAFF		
5805 Office supplies	2,000	
5810 Printing	4,000	
5820 General Stationery Supplies	2,500	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	700	
5900 Cleaning materials	5,800	
5945 W&E Water	1,000	
00001 GOVERNOR AND STAFF	18,000	
00002 LEGISLATURE		
5805 Office supplies	5,500	
5810 Printing	10,000	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	500	
5900 Cleaning materials	2,000	
00002 LEGISLATURE	20,000	
00005 AUDITOR GENERAL		
5805 Office supplies	15,000	
5841 Drinking Water	3,000	
5845 Books,periodicals,subscription	2,500	
00005 AUDITOR GENERAL	20,500	
00056 HUMAN RIGHTS COMMISSION		
5805 Office supplies	2,742	
5810 Printing	8,000	
5840 Food supplies	4,000	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	2,000	
5900 Cleaning materials	2,000	
00056 HUMAN RIGHTS COMMISSION	20,742	
00063 PARLIAMENTARY REGISTRAR		
5805 Office supplies	10,000	
5810 Printing	85,000	
5840 Food supplies	26,250	
5841 Drinking Water	4,000	
5900 Cleaning materials	500	
5955 Computer software	2,000	
00063 PARLIAMENTARY REGISTRAR	127,750	
00085 OMBUDSMAN'S OFFICE		
5805 Office supplies	1,000	
5810 Printing	10,000	
5820 General Stationery Supplies	1,500	
5840 Food supplies	1,200	
5841 Drinking Water	1,500	
5845 Books,periodicals,subscription	1,500	
00085 OMBUDSMAN'S OFFICE	16,700	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
00092 INTERNAL AUDIT		
5805 Office supplies	8,000	
5841 Drinking Water	5,000	
5845 Books,periodicals,subscript.	3,000	
00092 INTERNAL AUDIT	16,000	
00098 INFORMATION COMISSIONER'S OFF		
5805 Office supplies	2,025	
5810 Printing	8,712	
5820 General Stationery Supplies	8,000	
5840 Food Supplies	5,000	
5841 Drinking Water	3,000	
5845 Books,periodicals,subscription	6,000	
5900 Cleaning materials	1,000	
00098 INFORMATION COMISSIONER'S OFF	33,737	
00101 PRIVACY COMMISSIONER'S OFFICE		
5805 Office supplies	4,000	
5810 Printing	4,000	
5820 General Stationery Supplies	2,000	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	3,000	
5900 Cleaning materials	500	
00101 PRIVACY COMMISSIONER'S OFFICE	15,500	
01 NON_MINISTRY DEPARTMENTS	288,929	
02 CABINET DEPARTMENTS		
00009 CABINET OFFICE		
5805 Office supplies	55,500	
5810 Printing	42,000	
5820 General Stationery Supplies	20,500	
5840 Food supplies	30,021	
5841 Drinking Water	4,500	
5845 Books,periodicals,subscription	4,100	
5900 Cleaning materials	9,750	
5955 Computer software	4,688	
00009 CABINET OFFICE	171,059	
00013 POST OFFICE		
5805 Office supplies	2,900	
5810 Printing	50,000	
5820 General Stationery Supplies	50,000	
5840 Food supplies	10,000	
5841 Drinking Water	19,200	
5900 Cleaning materials	20,000	
5910 Spare parts	4,000	
5945 W&E Water	9,500	
5955 Computer software	5,000	
00013 POST OFFICE	170,600	
00014 STATISTICS		
5805 Office supplies	19,100	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
5810 Printing	9,000	
5820 General Stationery Supplies	8,500	
5841 Drinking Water	5,000	
5845 Books,periodicals,subscription	4,127	
5900 Cleaning materials	8,000	
5955 Computer software	3,400	
00014 STATISTICS	57,127	
00026 HUMAN RESOURCES		
5805 Office supplies	17,088	
5810 Printing	2,000	
5820 General Stationery Supplies	5,636	
5840 Food Supplies	6,000	
5841 Drinking Water	3,080	
5890 Educational supplies	12,000	
5900 Cleaning materials	2,000	
00026 HUMAN RESOURCES	47,804	
00080 PROJECT MGMT & PROCUREMENT		
5805 Office supplies	13,000	
5810 Printing	1,000	
5840 Food supplies	1,750	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	2,500	
00080 PROJECT MGMT & PROCUREMENT	20,250	
02 CABINET DEPARTMENTS	466,840	
03 LEGAL AFFAIRS		
00003 JUDICIAL		
5805 Office supplies	69,650	
5810 Printing	39,000	
5820 General Stationery Supplies	5,330	
5841 Drinking Water	6,353	
5845 Books,periodicals,subscription	23,000	
00003 JUDICIAL	143,333	
00004 ATTORNEY GENERAL'S CHAMBER		
5805 Office supplies	67,000	
5820 General Stationery Supplies	1,000	
5841 Drinking Water	13,000	
5845 Books,periodicals,subscription	135,342	
00004 ATTORNEY GENERAL'S CHAMBER	216,342	
00074 DEPARTMENT OF COURT SERVICES		
5805 Office supplies	31,000	
5810 Printing	10,350	
5820 General Stationery Supplies	2,000	
5840 Food supplies	8,900	
5841 Drinking Water	7,500	
5845 Books,periodicals,subscription	100	
5900 Cleaning materials	9,500	
00074 DEPARTMENT OF COURT SERVICES	69,350	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
00075 DEPT OF PUBLIC PROSECUTIONS		
5805 Office supplies	34,500	
5810 Printing	7,000	
5841 Drinking Water	2,500	
5845 Books,periodicals,subscription	15,000	
00075 DEPT OF PUBLIC PROSECUTIONS	59,000	
00087 MINISTRY OF LEGAL AFFAIRS HQ		
5805 Office supplies	31,700	
5810 Printing	12,500	
5820 General Stationery Supplies	9,750	
5840 Food Supplies	2,000	
5841 Drinking Water	3,500	
5845 Books,periodicals,subscription	1,250	
00087 MINISTRY OF LEGAL AFFAIRS HQ	60,700	
03 LEGAL AFFAIRS	548,725	
08 MIN. OF FINANCE		
00010 MINISTRY OF FINANCE HQ		
5805 Office supplies	29,000	
5810 Printing	59,500	
5840 Food Supplies	12,500	
5845 Books,periodicals,subscription	3,500	
00010 MINISTRY OF FINANCE HQ	104,500	
00011 ACCOUNTANT GENERAL		
5805 Office supplies	40,000	
5810 Printing	38,000	
5820 General Stationery Supplies	26,540	
5841 Drinking Water	10,000	
5845 Books,periodicals,subscription	1,500	
00011 ACCOUNTANT GENERAL	116,040	
00028 SOCIAL INSURANCE		
5805 Office supplies	45,720	
5810 Printing	72,411	
5820 General Stationery Supplies	15,000	
5841 Drinking Water	5,168	
5845 Books,periodicals,subscription	800	
00028 SOCIAL INSURANCE	139,099	
00038 OFFICE OF THE TAX COMMISSIONER		
5805 Office supplies	25,000	
5810 Printing	40,000	
5840 Food supplies	2,000	
5841 Drinking Water	4,000	
00038 OFFICE OF THE TAX COMMISSIONER	71,000	
00039 REGISTRAR OF COMPANIES		
5805 Office supplies	28,500	
5810 Printing	1,000	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
5820 General Stationery Supplies	5,000	
5840 Food supplies	3,000	
5841 Drinking Water	2,000	
00039 REGISTRAR OF COMPANIES	39,500	
08 MIN. OF FINANCE	110,500	
10 EDUCATION & WORK DEV		
00016 MIN OF EDUCATION & WORK DEV HQ		
5805 Office supplies	10,940	
5810 Printing	19,084	
5820 General Stationery Supplies	14,625	
5840 Food supplies	4,000	
5841 Drinking Water	1,500	
5845 Books,periodicals,subscription	10,500	
5900 Cleaning materials	1,500	
00016 MIN OF EDUCATION & WORK DEV HQ	62,149	
00017 EDUCATION DEPARTMENT		
5805 Office supplies	110,050	
5810 Printing	42,200	
5820 General Stationery Supplies	130,205	
5840 Food supplies	2,500	
5841 Drinking Water	16,775	
5845 Books,periodicals,subscription	148,375	
5890 Educational supplies	284,000	
5900 Cleaning materials	37,155	
5937 Purchase of Inventory	487,000	
5945 W&E Water	92,500	
5955 Computer software	32,000	
00017 EDUCATION DEPARTMENT	1,382,760	
00018 DEPT OF LIBRARIES AND ARCHIVES		
5805 Office supplies	18,500	
5810 Printing	20,000	
5820 General Stationery Supplies	10,500	
5840 Food supplies	3,000	
5841 Drinking Water	3,300	
5845 Books,periodicals,subscription	125,000	
5900 Cleaning materials	7,400	
00018 DEPT OF LIBRARIES AND ARCHIVES	187,700	
00060 DEPT OF WORKFORCE DEVELOPMENT		
5805 Office supplies	24,043	
5810 Printing	29,450	
5840 Food supplies	8,200	
5841 Drinking Water	1,500	
5845 Books,periodicals,subscription	2,702	
5900 Cleaning materials	3,000	
00060 DEPT OF WORKFORCE DEVELOPMENT	68,895	
10 EDUCATION & WORK DEV	1,701,504	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
11 MIN. OF HEALTH		
00021 MINISTRY OF HEALTH HQ		
5805 Office supplies	41,880	
5810 Printing	19,824	
5820 General Stationery Supplies	49,446	
5840 Food supplies	34,117	
5845 Books,periodicals,subscription	17,570	
5900 Cleaning materials	8,295	
5955 Computer software	32,111	
00021 MINISTRY OF HEALTH HQ	203,243	
00022 HEALTH DEPARTMENT		
5805 Office supplies	66,069	
5810 Printing	54,573	
5820 General Stationery Supplies	73,843	
5840 Food supplies	244,947	
5841 Drinking Water	500	
5845 Books,periodicals,subscription	14,474	
5875 Laboratory supplies	285,147	
5890 Educational supplies	3,334	
5900 Cleaning materials	44,847	
5916 Tools & equipment	4,416	
5945 W&E Water	22,000	
5970-90 Medical supplies	720,185	
00022 HEALTH DEPARTMENT	1,534,335	
00091 Health Insurance		
5805 Office supplies	18,200	
00091 Health Insurance	18,200	
11 MIN. OF HEALTH	1,755,778	
16 TRANSPORT & REG AFFAIRS		
00030 MARINE AND PORTS		
5805 Office supplies	37,500	
5810 Printing	25,000	
5840 Food supplies	8,150	
5841 Drinking Water	28,400	
5845 Books,periodicals,subscription	1,000	
5900 Cleaning materials	26,500	
5920 Maintenance materials	266,000	
5937 Purchase of Inventory	521,482	
00030 MARINE AND PORTS	914,032	
00034 TRANSPORT CONTROL		
5805 Office supplies	35,000	
5810 Printing	25,000	
5820 General Stationery Supplies	10,000	
5840 Food supplies	891	
5900 Cleaning materials	8,000	
5945 W&E Water	500	
00034 TRANSPORT CONTROL	79,391	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
00035 PUBLIC TRANSPORTATION		
5805 Office supplies	60,266	
5810 Printing	75,000	
5820 General Stationery Supplies	5,000	
5910 Spare parts	-	
5937 Purchase of Inventory	1,706,494	
00035 PUBLIC TRANSPORTATION	1,846,760	
00048 MIN OF TRANSPORT & REG AFFAIRS		
5805 Office supplies	9,000	
5810 Printing	700	
5841 Drinking Water	1,500	
5845 Books,periodicals,subscription	2,000	
00048 MIN OF TRANSPORT & REG AFFAIRS	13,200	
00089 ENERGY		
5805 Office supplies	4,500	
5810 Printing	500	
5840 Food supplies	3,000	
5841 Drinking Water	400	
5845 Books,periodicals,subscription	629	
00089 ENERGY	9,029	
16 TRANSPORT & REG AFFAIRS	2,862,412	
17 PUBLIC WORKS		
00036 PUBLIC WORKS HQ		
5805 Office Supplies	25,800	
5810 Printing	11,600	
5820 General Stationery Supplies	1,000	
5840 Food supplies	13,300	
5845 Books,periodicals,subscription	3,000	
5920 Operational Materials	18,700	
5935 W&E Prospect Stores	77,000	
5955 Computer software	26,500	
00036 PUBLIC WORKS HQ	176,900	
00049 LAND VALUATION		
5805 Office supplies	3,000	
5840 Food supplies	1,000	
5841 Drinking Water	850	
5845 Books,periodicals,subscription	1,350	
00049 LAND VALUATION	6,200	
00068 PARKS		
5805 Office supplies	12,250	
5810 Printing	5,150	
5820 General Stationery Supplies	15,500	
5840 Food supplies	9,100	
5841 Drinking Water	11,150	
5900 Cleaning materials	19,550	
5916 Tools & equipment	116,050	
5920 Maintenance materials	103,000	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
5945 W&E Water	10,000	
5955 Computer software	1,000	
00068 PARKS	302,750	
00081 PUBLIC LANDS & BUILDINGS		
5805 Office supplies	8,500	
5920 Maintenance materials	820,000	
5935 W&E Prospect Stores	115,500	
5945 W&E Water Issues	8,000	
5955 Computer software	150,000	
00081 PUBLIC LANDS & BUILDINGS	1,102,000	
00082 WORKS & ENGINEERING		
5805 Office supplies	4,500	
5820 General Stationery Supplies	2,200	
5840 Food supplies	10,000	
5841 Drinking Water	1,000	
5845 Books,periodicals,subscription	8,500	
5900 Cleaning materials	1,300	
5910 Spare parts	267,500	
5916 Tools & equipment	175,378	
5920 Maintenance materials	2,051,500	
5935 W&E Prospect Stores	2,521,700	
5945 W&E Water Issues	4,000	
5955 Computer software	53,000	
00082 WORKS & ENGINEERING	5,100,578	
00097 LAND TITLE & REGISTRATION		
5805 Office supplies	7,000	
5840 Food Supplies	600	
5841 Drinking Water	800	
5845 Books,periodicals,subscription	5,000	
00097 LAND TITLE & REGISTRATION	13,400	
17 PUBLIC WORKS	6,701,828	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
22 SOCIAL DEVELOPMENT & SPORT		
00020 YOUTH, SPORT AND RECREATION		
5805 Office supplies	33,650	
5840 Food supplies	16,619	
5841 Drinking Water	5,150	
5900 Cleaning materials	36,500	
5916 Tools & equipment	3,500	
5920 Maintenance materials	11,500	
5945 W&E Water	12,200	
00020 YOUTH, SPORT AND RECREATION	119,119	
00023 CHILD AND FAMILY SERVICES		
5805 Office supplies	48,500	
5810 Printing	27,000	
5820 General Stationery Supplies	29,500	
5840 Food supplies	115,500	
5841 Drinking Water	12,100	
5845 Books,periodicals,subscription	37,800	
5900 Cleaning materials	31,200	
5920 Maintenance materials	7,100	
5945 W&E Water	5,000	
00023 CHILD AND FAMILY SERVICES	313,700	
00052 COMMUNITY & CULTURAL AFFAIRS		
5805 Office supplies	5,000	
5810 Printing	94,200	
5820 General Stationery Supplies	4,250	
5840 Food Supplies	76,490	
5841 Drinking Water	2,000	
5845 Books,periodicals,subscription	2,000	
5900 Cleaning materials	1,500	
00052 COMMUNITY & CULTURAL AFFAIRS	185,440	
00055 FINANCIAL ASSISTANCE		
5805 Office supplies	35,000	
5810 Printing	10,000	
5820 General Stationery Supplies	2,500	
5840 Food supplies	5,000	
5841 Drinking Water	7,000	
5900 Cleaning materials	1,000	
5955 Computer software	30,000	
00055 FINANCIAL ASSISTANCE	90,500	
00071 MIN OF SOCIAL DEVELOP & SPORT		
5805 Office supplies	3,500	
5810 Printing	9,870	
5820 General Stationery Supplies	9,000	
5840 Food supplies	7,000	
5841 Drinking Water	2,940	
5845 Books,periodicals,subscription	500	
5955 Computer software	500	
00071 MIN OF SOCIAL DEVELOP & SPORT	33,310	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
00088 NATIONAL DRUG CONTROL		
5805 Office supplies	3,000	
5810 Printing	7,000	
5820 General Stationery Supplies	37,534	
5840 Food supplies	101,000	
5845 Books,periodicals,subscription	10,680	
5900 Cleaning materials	3,635	
00088 NATIONAL DRUG CONTROL	162,849	
22 SOCIAL DEVELOPMENT & SPORT	904,918	
23 NATIONAL SECURITY		
00006 DEFENCE		
5805 Office supplies	19,100	
5810 Printing	8,000	
5840 Food supplies	193,666	
5841 Drinking Water	10,300	
5845 Books,periodicals,subscription	200	
5900 Cleaning materials	3,000	
00006 DEFENCE	234,266	
00007 POLICE		
5805 Office supplies	263,133	
5810 Printing	129,352	
5820 General Stationery Supplies	170,484	
5840 Food supplies	43,500	
5841 Drinking Water	99,671	
5845 Books,periodicals,subscription	8,000	
5900 Cleaning materials	97,100	
5910 Spare parts	264,445	
5916 Tools & equipment	10,000	
5937 Purchase of Inventory	890,000	
5945 W&E Water	36,699	
00007 POLICE	2,012,384	
00012 CUSTOMS		
5805 Office supplies	203,370	
5810 Printing	54,736	
5840 Food supplies	7,624	
5841 Drinking Water	20,451	
00012 CUSTOMS	286,181	
00025 DEPARTMENT OF CORRECTIONS		
5805 Office supplies	57,400	
5810 Printing	2,000	
5820 General Stationery Supplies	72,000	
5840 Food supplies	-	
5841 Drinking Water	4,194	
5845 Books,periodicals,subscription	3,500	
5890 Educational supplies	10,700	
5916 Tools & equipment	17,000	
5920 Maintenance materials	16,900	
5937 Purchase of Inventory	1,260,000	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
5945 W&E Water	152,000	
00025 DEPARTMENT OF CORRECTIONS	1,595,694	
00043 DEPT OF INFO & DIGITAL TECH		
5805 Office supplies	9,500	
5840 Food Supplies	5,000	
5841 Drinking Water	3,500	
5845 Books,periodicals,subscription	27,050	
00043 DEPT OF INFO & DIGITAL TECH	45,050	
00045 FIRE SERVICES		
5805 Office supplies	5,000	
5810 Printing	13,240	
5820 General Stationery Supplies	2,732	
5840 Food supplies	2,123	
5845 Books,periodicals,subscription	2,732	
5916 Tools	92,023	
00045 FIRE SERVICES	117,850	
00067 DEPT OF INFO & COMMUNIC TECH		
5805 Office supplies	5,500	
5820 General Stationery Supplies	2,000	
5840 Food supplies	4,200	
5841 Drinking Water	1,300	
5845 Books,periodicals,subscription	2,540	
00067 DEPT OF INFO & COMMUNIC TECH	15,540	
00083 MINISTRY OF NATIONAL SECURITY		
5805 Office supplies	3,000	
5810 Printing	6,500	
5820 General Stationery Supplies	3,000	
5840 Food supplies	2,000	
5841 Drinking Water	500	
00083 MINISTRY OF NATIONAL SECURITY	15,000	
23 NATIONAL SECURITY	4,321,965	
93 HOME AFFAIRS		
00027 DEPARTMENT OF IMMIGRATION		
5805 Office supplies	54,506	
5810 Printing	10,000	
5840 Food supplies	5,000	
5841 Drinking Water	4,200	
00027 DEPARTMENT OF IMMIGRATION	73,706	
00029 REGISTRY GENERAL		
5805 Office supplies	14,000	
5810 Printing	11,500	
5841 Drinking Water	2,600	
00029 REGISTRY GENERAL	28,100	
00032 PLANNING		
5805 Office supplies	37,000	

MATERIALS AND SUPPLIES - BY DEPT		
	2018/2019	
DESCRIPTION	Estimate \$	NOTES
5810 Printing	6,200	
5840 Food supplies	3,000	
5841 Drinking Water	2,500	
5845 Books,periodicals,subscription	3,000	
00032 PLANNING	51,700	
00079 ENVIRONMENT & NATURAL RESOURCE		
5805 Office supplies	20,510	
5810 Printing	25,000	
5840 Food supplies	1,000	
5841 Drinking Water	8,300	
5845 Books,periodicals,subscription	9,195	
5865 Agrig./hort supplies	153,230	
5900 Cleaning materials	24,650	
5916 Tools	56,076	
5920 Maintenance materials	6,990	
5937 Purchase of Inventory	150,000	
5945 W&E Water	19,373	
5955 Computer software	5,500	
00079 ENVIRONMENT & NATURAL RESOURCE	479,824	
00093 MINISTRY OF HOME AFFAIRS HQ		
5805 Office supplies	61,000	
5840 Food Supplies	23,750	
5845 Books,periodicals,subscription	2,700	
00093 MINISTRY OF HOME AFFAIRS HQ	87,450	
93 HOME AFFAIRS	720,780	
95 ECONOMIC DEV & TOURISM		
00051 DEPARTMENT OF COMMUNICATION		
5805 Office supplies	15,800	
5820 General Stationery Supplies	3,200	
5841 Drinking Water	3,000	
5955 Computer software	8,500	
00051 DEPARTMENT OF COMMUNICATION	30,500	
00095 MIN OF ECONOM DEV & TOURISM HQ		
5805 Office supplies	13,276	
5841 Drinking Water	1,000	
00095 MIN OF ECONOM DEV & TOURISM HQ	14,276	
95 ECONOMIC DEV & TOURISM	44,776	
	20,668,714	

APPENDIX S

Materials & Supplies																							
2018/2019 Estimates																							
			General		Books							Purchase					W&E				Total		
	Office		Stationary	Drinking	Periodicals	Cleaning	W&E	Food	Computer	Spare	Educ	of	Lab	Maint	Medical	Ops	Prospect	Tools &	Ag & Hort		Budget		Num
Non- Ministry Departments	Supplies	Printing	Supplies	Water	Subs	Materials	Water	Supplies	Software	Parts	Supplies	Inventory	Supplies	Materials	Supplies	Mat	Stores	Equip	Supplies	Total	Estimates	%	Of Staff
Governor & Staff	\$ 2,000	\$ 4,000	\$ 2,500	\$ 2,000	\$ 700	\$ 5,800	\$ 1,000													\$ 18,000			13
Legislature	5,500	10,000		2,000	500	2,000														20,000			55
Auditor General	15,000			3,000	2,500															20,500			29
Human Rights Commission	2,742	8,000		2,000	2,000	2,000		4,000												20,742			8
Parliamentary Registrar	10,000	85,000		4,000		500		26,250	2,000											127,750			7
Ombudsman's Office	1,000	10,000	1,500	1,500	1,500			1,200												16,700			6
Internal Audit	8,000			5,000	3,000															16,000			12
Information Comm Office	2,025	8,712	8,000	3,000	6,000	1,000		5,000												33,737			5
Privacy Comm Office	4,000	4,000	2,000	2,000	3,000	500														15,500			3
																				-			
Total	50,267	129,712	14,000	24,500	19,200	11,800	1,000	36,450	2,000	-	-	-	-	-	-	-	-			\$ 288,929	\$ 302,579	95%	138
Cabinet Departments																							
Cabinet office	55,500	42,000	20,500	4,500	4,100	9,750		30,021	4,688											171,059			37
Post office	2,900	50,000	50,000	19,200		20,000	9,500	10,000	5,000	4,000										170,600			142
Statistics	19,100	9,000	8,500	5,000	4,127	8,000			3,400											57,127			24
Human Resources	17,088	2,000	5,636	3,080		2,000		6,000			12,000									47,804			26
Project Mgt & Procurement	13,000	1,000		2,000	2,500			1,750												20,250			9
																				-			
Total	107,588	104,000	84,636	33,780	10,727	39,750	9,500	47,771	13,088	4,000	12,000	-	-	-	-	-	-			\$ 466,840	\$ 564,370	83%	238
Legal Affairs Departments																							
Judicial	69,650	39,000	5,330	6,353	23,000															143,333			69
Attorney General Chambers	67,000		1,000	13,000	135,342															216,342			33
Court Services	31,000	10,350	2,000	7,500	100	9,500		8,900												69,350			38
Public Prosecutions	34,500	7,000		2,500	15,000															59,000			25
Legal affairs HQ	31,700	12,500	9,750	3,500	1,250			2,000												60,700			14
																				-			
Total	233,850	68,850	18,080	32,853	174,692	9,500	-	10,900	-	-	-	-	-	-	-	-	-			548,725	604,225	91%	179
Finance Departments																							
Ministry of Finance HQ	29,000	59,500			3,500			12,500												104,500			18
Accountant General	40,000	38,000	26,540	10,000	1,500															116,040			61
Social Insurance	45,720	72,411	15,000	5,168	800															139,099			24
Office of the Tax Comm	25,000	40,000		4,000				2,000												71,000			29
Registrar of Companies	28,500	1,000	5,000	2,000				3,000												39,500			26
Total	168,220	210,911	46,540	21,168	5,800	-	-	17,500	-	-	-	-	-	-	-	-	-			470,139	518,139	91%	158
Educ & Workforce Dev Depts																							
Ministry of Ed and WD - HQ	10,940	19,084	14,625	1,500	10,500	1,500		4,000												62,149			10
Education	110,050	42,200	130,205	16,775	148,375	37,155	92,500	2,500	32,000		284,000	487,000								1,382,760			1,126
Libraries & Archives	18,500	20,000	10,500	3,300	125,000	7,400		3,000												187,700			26
Workforce Development	24,043	29,450		1,500	2,702	3,000		8,200												68,895			16
																				-	Prepared by: J. S. Jardin		

Materials & Supplies																							
2018/2019 Estimates																							
			General		Books							Purchase					W&E				Total		
	Office		Stationary	Drinking	Periodicals	Cleaning	W&E	Food	Computer	Spare	Educ	of	Lab	Maint	Medical	Ops	Prospect	Tools &	Ag & Hort		Budget		Num
Non- Ministry Departments	Supplies	Printing	Supplies	Water	Subs	Materials	Water	Supplies	Software	Parts	Supplies	Inventory	Supplies	Materials	Supplies	Mat	Stores	Equip	Supplies	Total	Estimates	%	Of Staff
Total	163,533	110,734	155,330	23,075	286,577	49,055	92,500	17,700	32,000	-	284,000	487,000	-	-	-	-	-			1,701,504	2,143,154	79%	1,178
Health Departments																							
Ministry of Health - HQ	41,880	19,824	49,446		17,570	8,295		34,117	32,111											203,243			45
Health Department	66,069	54,573	73,843	500	14,474	44,847	22,000	244,947			3,334		285,147	4,416	720,185					1,534,335			280
Health insurance	18,200																			18,200			19
Total	126,149	74,397	123,289	500	32,044	53,142	22,000	279,064	32,111	-	3,334	-	285,147	4,416	720,185	-	-			1,755,778	2,127,372	83%	344
Transport & Reg Affairs Depts																							
Marine & Ports	37,500	25,000		28,400	1,000	26,500		8,150				521,482		266,000						914,032			158
Transport Control	35,000	25,000	10,000			8,000	500	891												79,391			40
Public Transportation	60,266	75,000	5,000									1,706,494								1,846,760			236
Min of Transport & Reg Affairs	9,000	700		1,500	2,000															13,200			6
Energy	4,500	500		400	629			3,000												9,029			3
Total	146,266	126,200	15,000	30,300	3,629	34,500	500	12,041	-	-	-	2,227,976	-	266,000	-	-	-			2,862,412	2,862,412	100%	443
Public Works Departments																							
Public works - HQ	25,800	11,600	1,000		3,000			13,300	26,500							18,700	77,000			176,900			48
Land valuation	3,000			850	1,350			1,000												6,200			8
Parks	12,250	5,150	15,500	11,150		19,550	10,000	9,100	1,000					103,000				116,050		302,750			143
Public Lands & Buildings	8,500						8,000		150,000					820,000			115,500			1,102,000			155
Works & Engineering	4,500		2,200	1,000	8,500	1,300	4,000	10,000	53,000	267,500				2,051,500			2,521,700	175,378		5,100,578			343
Land title & Registration	7,000			800	5,000			600												13,400			10
																				-			
Total	61,050	16,750	18,700	13,800	17,850	20,850	22,000	34,000	230,500	267,500	-	-	-	2,974,500	-	18,700	2,714,200	291,428	-	6,701,828	7,167,878	93%	707
Social Develop & Sport Depts																							
Youth, Sport & Recreation	33,650			5,150		36,500	12,200	16,619						11,500				3,500		119,119			96
Child & Family Services	48,500	27,000	29,500	12,100	37,800	31,200	5,000	115,500						7,100						313,700			97
Community & Cultural Affairs	5,000	94,200	4,250	2,000	2,000	1,500		76,490												185,440			8
Financial assistance	35,000	10,000	2,500	7,000		1,000		5,000	30,000											90,500			34
Min of Social Dev & Sport	3,500	9,870	9,000	2,940	500			7,000	500											33,310			18
National Drug Control	3,000	7,000	37,534		10,680	3,635		101,000												162,849			27
																				-			
Total	128,650	148,070	82,784	29,190	50,980	73,835	17,200	321,609	30,500	-	-	-	-	18,600	-	-	-	3,500	-	904,918	1,067,468	85%	280
National Security Depart																							
Defence	19,100	8,000		10,300	200	3,000		193,666												234,266			31
Police	263,133	129,352	170,484	99,671	8,000	97,100	36,699	43,500		264,445		890,000						10,000		2,012,384			511
Customs	203,370	54,736		20,451				7,624												286,181			190
Corrections	57,400	2,000	72,000	4,194	3,500		152,000				10,700	1,260,000		16,900				17,000		1,595,694			229
Dept of Info & Digital Tech	9,500			3,500	27,050			5,000												45,050	Prepared by: J. S. Jaramila		

Materials & Supplies																							
2018/2019 Estimates																							
			General		Books							Purchase					W&E				Total		
	Office		Stationary	Drinking	Periodicals	Cleaning	W&E	Food	Computer	Spare	Educ	of	Lab	Maint	Medical	Ops	Prospect	Tools &	Ag & Hort		Budget		Num
Non- Ministry Departments	Supplies	Printing	Supplies	Water	Subs	Materials	Water	Supplies	Software	Parts	Supplies	Inventory	Supplies	Materials	Supplies	Mat	Stores	Equip	Supplies	Total	Estimates	%	Of Staff
Fire Services	5,000	13,240	2,732		2,732			2,123										92,023		117,850			128
Dept of Info & Comm Tech	5,500		2,000	1,300	2,540			4,200												15,540			6
Ministry of National Security	3,000	6,500	3,000	500				2,000												15,000			7
																				-			
Total	566,003	213,828	250,216	139,916	44,022	100,100	188,699	258,113	-	264,445	10,700	2,150,000	-	16,900	-	-	-	119,023	-	4,321,965	4,829,182	89%	1,142
Home Affairs Departments																							
Dept of Immigration	54,506	10,000		4,200				5,000												73,706			50
Registry General	14,000	11,500		2,600																28,100			19
Planning	37,000	6,200		2,500	3,000			3,000												51,700			33
Environ & Nat Resources	20,510	25,000		8,300	9,195	24,650	19,373	1,000	5,500			150,000		6,990				56,076	153,230	479,824			79
Home Affairs - HQ	61,000				2,700			23,750												87,450			22
																				-			
Total	187,016	52,700	-	17,600	14,895	24,650	19,373	32,750	5,500	-	-	150,000	-	6,990	-	-	-	56,076	153,230	720,780	831,581	87%	203
Economic Dev & Tourism Dept																							
Dept of Communication	15,800		3,200	3,000					8,500											30,500			30
Econ Dev & Tourism - HQ	13,276			1,000																14,276			13
																				-			
Total	29,076	-	3,200	4,000	-	-	-	-	8,500	-	-	-	-	-	-	-	-	-	-	44,776	72,676	62%	43
GRAND TOTALS	1,967,668	1,256,152	811,775	370,682	660,416	417,182	372,772	1,067,898	354,199	535,945	310,034	5,014,976	285,147	3,287,406	720,185	18,700	2,714,200	470,027	153,230	20,788,594	23,091,036	90%	5,053
Categories Summary																							
	Analysed																						
Office supplies	1,967,668																						
Printing	1,256,152																						
General Stationery Supplies	811,775																						
Drinking Water	370,682																						
Books, Periodicals & Subs	660,416																						
Cleaning Materials	417,182																						
W&E Water	372,772																						
Food supplies	1,067,898																						
Computer software	354,199																						
Spare parts	535,945																						
Educational supplies	310,034																						
Purchase of Inventory	5,014,976																						
Lab Supplies	285,147																						
Maintenance Materials	3,287,406																						
Medical supplies	720,185																						
Operational Materils	18,700																						
W&E Prospect Stores	2,714,200																						
Tools& Equipment	470,027																						
Ag & Hort Supplies	153,230																						
Totals	20,788,594																				Prepared by: J. S. Jardine		

APPENDIX T

**Budgeted Filled and Funded Vacant Positions
as at 11th April 2018**

HEAD	MINISTRY/DEPARTMENT	2018/19 ESTIMATE	2018/19 Vacant/Funded	2018/19 In Recruitment
NON-MINISTRY DEPARTMENTS				
01	GOVERNOR & STAFF	13	0	0
02	LEGISLATURE	55	0	0
05	OFFICE OF THE AUDITOR	29	6	2
56	HUMAN RIGHTS COMMISSION	8	2	0
63	PARLIAMENTARY REGISTRAR	7	0	0
85	OMBUDSMAN'S OFFICE	6	0	0
92	INTERNAL AUDIT	12	1	0
98	INFORMATION COMMISSIONER'S OFFICE	5	0	0
101	PRIVACY COMMISSIONER'S OFFICE	3	3	1
		138	12	3
CABINET OFFICE DEPARTMENTS				
09	CABINET OFFICE	37	8	2
13	POST OFFICE	142	4	3
14	DEPT. OF STATISTICS	24	5	0
26	DEPT. OF HUMAN RESOURCES	26	3	0
80	PROJECT MANAGEMENT & PROCUREMENT	9	1	0
84	E-GOVERNMENT	0	0	0
		238	21	5
MINISTRY OF LEGAL AFFAIRS				
87	MIN. OF LEGAL AFFAIRS HQ	14	3	0
03	JUDICIAL DEPARTMENT	69	24	8
04	ATTORNEY GENERAL'S CHAMBERS	33	3	0
74	DEPT. OF COURT SERVICES	38	6	0
75	DEPT. OF PUBLIC PROSECUTIONS	25	0	0
		179	36	8
MINISTRY OF FINANCE				
10	MIN. OF FINANCE HQ	18	1	0
11	ACCOUNTANT GENERAL	61	10	3
28	SOCIAL INSURANCE	24	6	0
38	OFFICE OF THE TAX COMMISSIONER	29	2	0
39	REGISTRAR OF COMPANIES	26	8	2
		158	27	5
MINISTRY OF EDUCATION & WORKFORCE DEVELOPMENT				
16	MIN. OF EDUCATION & WORKFORCE DEV. HQ	10	0	0
17	DEPT. OF EDUCATION	1,126	56	8
18	LIBRARIES & ARCHIVES	26	5	1
19	ARCHIVES	0	0	0
60	WORKFORCE DEVELOPMENT	16	1	1
		1,178	62	10
MINISTRY OF HEALTH				
21	MINISTRY OF HEALTH HQ	45	10	4
22	DEPT. OF HEALTH	280	34	14
91	HEALTH INSURANCE	19	12	0
		344	56	18

Budgeted Filled and Funded Vacant Positions - continued

HEAD	MINISTRY/DEPARTMENT	2018/19 ESTIMATE	2018/19 Vacant/Funded	2018/19 In Recruitment
MINISTRY OF TRANSPORT & REGULATORY AFFAIRS				
48	MIN. OF TRANSPORT & REGULATORY AFFAIRS HQ	6	0	0
30	MARINE & PORTS	158	11	7
31	AIRPORT OPERATIONS	0	0	0
34	TRANSPORT CONTROL DEPARTMENT	40	3	2
35	PUBLIC TRANSPORTATION	236	34	6
89	ENERGY	3	0	0
		443	48	15
MINISTRY OF PUBLIC WORKS				
36	MIN. OF PUBLIC WORKS HQ	48	5	2
49	LAND VALUATION	8	1	1
68	PARKS	143	9	7
81	PUBLIC LANDS & BUILDINGS	155	4	4
82	WORKS & ENGINEERING	343	17	16
97	LAND TITLE & REGISTRATION	10	0	0
		707	36	30
MINISTRY OF SOCIAL DEVELOPMENT & SPORTS				
71	MINISTRY OF SOCIAL DEVELOPMENT & SPORTS HQ	18	1	0
20	YOUTH, SPORT & RECREATION	96	5	0
23	CHILD & FAMILY SERVICES	97	19	0
52	COMMUNITY & CULTURAL AFFAIRS	8	0	0
55	FINANCIAL ASSISTANCE	34	0	0
88	NATIONAL DRUG CONTROL	27	10	5
		280	35	5
MINISTRY OF NATIONAL SECURITY				
83	MIN. OF NATIONAL SECURITY HQ	7	0	0
06	DEFENCE	31	1	1
07	POLICE	511	25	0
12	CUSTOMS	190	19	17
25	DEPT. OF CORRECTIONS	229	24	18
43	DEPT. OF INFORMATION & DIGITAL TECH.	40	7	5
45	FIRE SERVICES	128	6	0
67	DEPT. OF INFORMATION & COMM. TECH.	6	4	0
		1,142	86	41
MINISTRY OF HOME AFFAIRS				
93	MIN. OF HOME AFFAIRS HQ	22	4	3
27	IMMIGRATION	50	8	0
29	REGISTRY GENERAL	19	2	0
32	DEPT. OF PLANNING	33	6	3
50	MINISTRY OF THE ENVIRONMENT HQ	0	0	0
79	ENVIRONMENT AND NATURAL RESOURCES	79	11	1
		203	31	7
MINISTRY OF ECONOMIC DEVELOPMENT				
95	MIN. OF ECONOMIC DEV. HQ	13	1	0
46	TELECOMMUNICATIONS	0	0	0
51	DEPT. OF COMMUNICATIONS	30	7	0
		43	8	0
TOTAL		5,053	458	147

Government of Bermuda
Employment Data
As at March 31, 2018



	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17	31-Mar-17	Variance to last reported qtr 31-Mar-18 vs 31-Dec 17	
Number of Persons Employed	4,634	4,614	4,629	4,752	4,662	20	0%
Number of Persons Paid							
Monthly	3,414	3,402	3,416	3,410	3,397	12	0%
Weekly	1,169	1,033	1,092	1,179	1,211	136	13%
Total	4,583	4,435	4,508	4,589	4,608	148	3%
Total Payroll Cost							
Monthly							
Payroll Cost	\$ 26,674,615	\$ 26,547,140	\$ 27,208,148	\$ 27,776,505	\$ 26,211,094	\$ 127,474	0%
Less: Pre-Retirement		-	-	-	(10,173)	-	
VERIP Payout		-	-	-	(66,126)	-	
Est w/o VERIP	\$ 26,674,615	\$ 26,547,140	\$ 27,208,148	\$ 27,776,505	\$ 26,134,796	\$ 127,474	0%
Weekly							
Payroll Cost	\$ 1,405,441	\$ 1,301,689	\$ 1,387,617	\$ 1,964,071	\$ 1,583,466	\$ 103,753	8%
Less: Pre-Retirement		-	-	-	-	-	
VERIP Payout		-	-	-	-	-	
Est w/o VERIP	\$ 1,405,441	\$ 1,301,689	\$ 1,387,617	\$ 1,964,071	\$ 1,583,466	\$ 103,753	8%

Notes

1. Total number of persons employed has increased by 20 persons since December 2017 and is up by 5 over the September quarter. Number of persons paid has increased by 148 or 9% from December 2017. Further investigation indicates though it appears to be an increase in employee numbers in March, September and December weekly persons paid as reported above is artificially low. The average weekly payroll stats show employee paid numbers of approximately 1,150. The numbers shown above which represent payroll at a point in time, can fluctuate due to the nature of weekly payroll.

2. Total monthly payroll costs are flat, an increase of \$127k over last quarter. Weekly payroll costs are up by \$104k which represents an 8% increase over December 2017. This is in line with the number of persons paid as indicated above.

Government of Bermuda
Employment Data - Year over Year variance (Mar 2018 vs Mar 2017)
As at March 31, 2018



	31-Mar-18	31-Mar-17	Year over Year Variance 31-Mar-18 vs 31-Mar-17	
Number of Persons Employed	4,634	4,662	-28	-1%
Number of Persons Paid				
Monthly	3,414	3,397	17	1%
Weekly	1,169	1,211	-42	-3%
Total	4,583	4,608	-25	-1%
Total Payroll Cost				
Monthly				
Payroll Cost	\$ 26,674,615	\$ 26,211,094	\$ 463,520	2%
Less: Pre-Retirement		(10,173)	\$ 10,173	
VERIP Payout		(66,126)	\$ 66,126	
Est w/o VERIP	\$ 26,674,615	\$ 26,134,795	\$ 539,819	2%
Weekly				
Payroll Cost	\$ 1,405,441	\$ 1,583,466	\$ (178,025)	-11%
Less: Pre-Retirement			\$ -	
VERIP Payout			\$ -	
Est w/o VERIP	\$ 1,405,441	\$ 1,583,466	\$ (178,025)	-11%

Notes

1. Total number of persons employed has decreased by 28 or 1% from the same period last year while the number of persons paid reflects a decrease of 1% or 25 staff.
2. Total monthly payroll costs have increased year over year by \$540k or 2% while weekly payroll costs have decreased by \$178k or 11%.

Government of Bermuda
Employment Data - Variance to Benchmark (March 2018 vs March 2015)
As at March 31, 2018



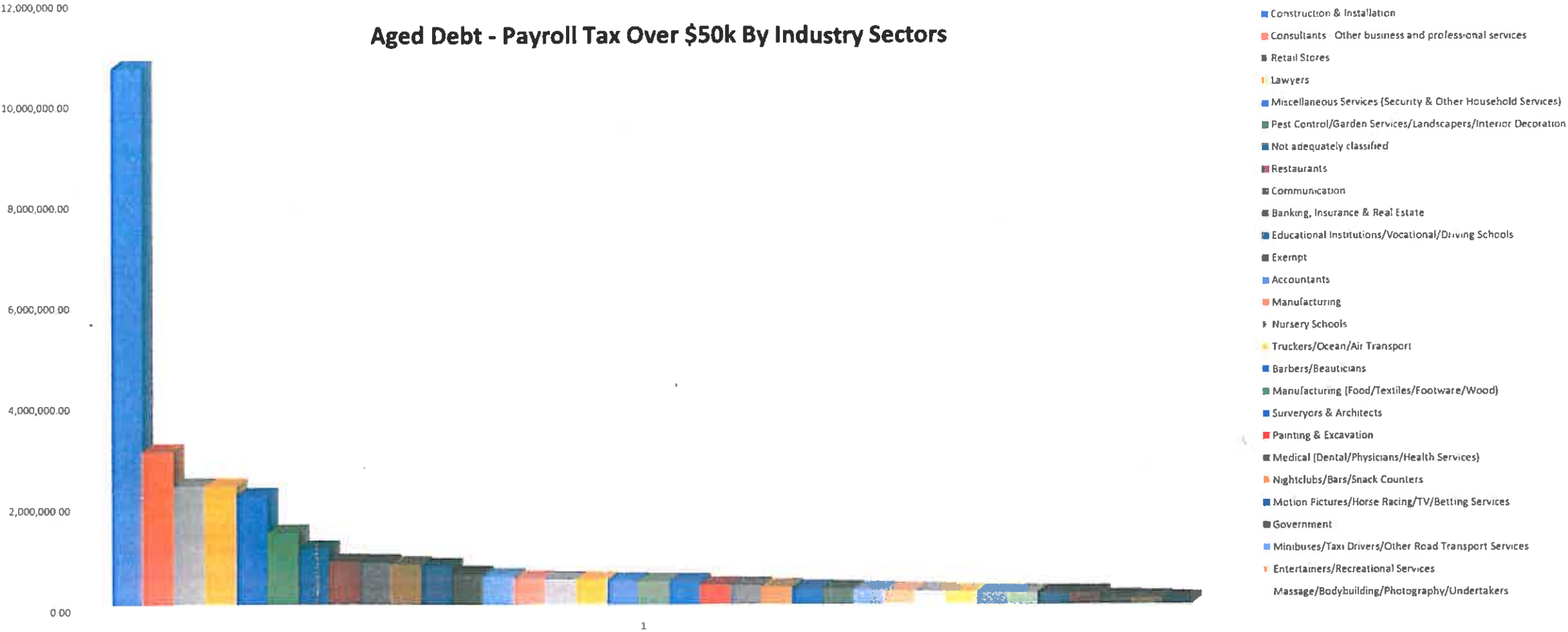
	31-Mar-18	31-Mar-15	Variance to Benchmark 31-Mar-18 vs 31-Mar-15	
Number of Persons Employed	4,634	5,039	-405	-8%
Number of Persons Paid				
Monthly	3,414	3,723	-309	-8%
Weekly	1,169	1,276	-107	-8%
Total	4,583	4,999	-416	-8%
Total Payroll Cost				
Monthly				
Payroll Cost	\$ 26,674,615	\$ 28,019,749	\$ (1,345,134)	-5%
Less: Pre-Retirement		(297,675)	\$ 297,675	
VERIP Payout		(1,183,462)	\$ 1,183,462	
Est w/o VERIP	\$ 26,674,615	\$ 26,538,612	\$ 136,003	1%
Weekly				
Payroll Cost	\$ 1,405,441	\$ 2,103,309	\$ (697,867)	-33%
Less: Pre-Retirement		(89,870)	\$ 89,870	
VERIP Payout		(505,932)	\$ 505,932	
Est w/o VERIP	\$ 1,405,441	\$ 1,507,507	\$ (102,065)	-7%

Notes

1. A comparison to the March 31, 2015 benchmark shows a decrease in persons employed of 405 or 8% and a similar decrease in persons paid of 416 or 8%. It should be noted that the salary increase of 2.5% which was applied to a large portion of the employee base is reflected in the March 2018 payroll costs reported above.
2. Total monthly payroll costs to benchmark are flat, increasing by only \$136k or 1% net of VERIP impact.
3. Total weekly payroll costs to benchmark have decreased by \$102k or 7% net of VERIP Impact.

APPENDIX U

Aged Debt - Payroll Tax Over \$50k By Industry Sectors



APPENDIX V

		Stamp Duty Cheques			
	Not Cashed as at March 31, 2018				
	(Position as at Sept 30, 2018)				
	Cheque Amount	Stamp Duty	Stamp Duty		
	Not Cashed	Received	Outstanding		
Cheque Date	March 31,2018	Since Mar 31,2018	Sept 30,2018	Comments	
4-Dec-06	\$ 6,369.42	\$ -	\$ 6,369.42		
22-Oct-09	\$ 1,960.00	\$ 1,960.00	\$ -	Received 26-Sept-18	
5-Nov-09	\$ 3,200.00	\$ -	\$ 3,200.00	Follow up 27-Sep-18	
22-Feb-10	\$ 1,220.00	\$ -	\$ 1,220.00		
5-Apr-10	\$ 1,320.00	\$ -	\$ 1,320.00		
13-Apr-10	\$ 125.00	\$ 125.00	\$ -	Received 27-Sept-18	
6-May-10	\$ 145.00	\$ 145.00	\$ -		
2-Jun-10	\$ 29.00	\$ 29.00	\$ -		
2-Jun-10	\$ 507.50	\$ 507.50	\$ -		
7-Jun-10	\$ 290.00	\$ -	\$ -	Co Liquidated 2012	
6-Jul-10	\$ 1,175.00	\$ 1,175.00	\$ -		
10-Aug-10	\$ 588.77	\$ 588.77	\$ -		
17-Aug-10	\$ 400.00	\$ -	\$ 400.00		
1-Sep-10	\$ 448.34	\$ -	\$ 448.34	Follow up 29-Sep-18	
1-Sep-10	\$ 24,100.00	\$ -	\$ 24,100.00	Follow up 24-Sep-18	
2-Sep-10	\$ 380.00	\$ -	\$ 390.00		
3-Sep-10	\$ 100.00	\$ -	\$ 100.00		
28-Sep-10	\$ 200.00	\$ -	\$ 200.00		
28-Sep-10	\$ 264.72	\$ -	\$ 264.72		
29-Oct-10	\$ 272.44	\$ 272.44	\$ -		
3-Nov-10	\$ 2,012.00	\$ -	\$ 2,012.00		
17-Nov-10	\$ 1,028.25	\$ -	\$ 1,028.25		
3-Jan-11	\$ 405.00	\$ -	\$ 405.00		
6-Jan-11	\$ 3,120.00	\$ -	\$ 3,120.00		
13-Jan-11	\$ 250.00	\$ -	\$ 250.00		
31-May-11	\$ 434.88	\$ -	\$ 434.88	Follow up 26-Sep-18	
6-Jun-11	\$ 50.00	\$ -	\$ 50.00		
30-Jun-11	\$ 27,400.00	\$ -	\$ 27,400.00	Follow up 24-Sep-18	
19-Sep-11	\$ 144.00	\$ -	\$ 144.00		
26-Sep-11	\$ 455.50	\$ -	\$ 455.40		
28-Sep-11	\$ 552.41	\$ -	\$ 552.41		
11-Oct-11	\$ 8,749.85	\$ -	\$ 8,749.85		
7-Mar-12	\$ 579.15	\$ -	\$ 579.15		
13-Mar-12	\$ 333.33	\$ -	\$ 333.33		
16-Apr-12	\$ 185.00	\$ -	\$ 185.00	Follow up 24-Sep-18	
16-Apr-12	\$ 225.00	\$ -	\$ 225.00		
16-May-12	\$ 180.00	\$ -	\$ 180.00		
4-Jul-12	\$ 740.00	\$ -	\$ 740.00		

18-Dec-12	\$ 180.00	\$ -	\$ 180.00		
2-Oct-14	\$ 375.00	\$ 375.00	\$ -		
12-Jan-15	\$ 34,000.00	\$ -	\$ 34,000.00	Follow up 27-July-18	
12-Jan-15	\$ 46,000.00	\$ -	\$ 46,000.00	Follow up 27-July-18	
12-Jan-15	\$ 25,025.00	\$ -	\$ 25,025.00	Follow up 26-July-18	
13-Jan-15	\$ 25,700.00	\$ -	\$ 25,700.00	Follow up 27-July-18	
13-Jan-15	\$ 28,000.00	\$ -	\$ 28,000.00	Follow up 26-July-18	
22-Jan-15	\$ 233.00	\$ 233.00	\$ -		
22-Jan-15	\$ 272.00	\$ 272.00	\$ -		
22-Jan-15	\$ 24,400.00	\$ 24,400.00	\$ -		
22-Jan-15	\$ 4,015.00	\$ 4,015.00	\$ -		
13-Apr-15	\$ 81.50	\$ 81.50	\$ -		
13-May-15	\$ 48.90	\$ 48.90	\$ -		
17-Jun-15	\$ 12.22	\$ -	\$ 12.22		
17-Sep-15	\$ 394.00	\$ -	\$ 394.00		
17-Sep-15	\$ 25.00	\$ -	\$ 25.00		
16-Oct-15	\$ 25.00	\$ 25.00	\$ -		
17-Nov-15	\$ 3,000.00	\$ -	\$ 3,000.00		
21-Nov-15	\$ 14,160.00	\$ 14,160.00	\$ -		
12-Jan-16	\$ 9,500.00	\$ -	\$ 9,500.00		
18-Jan-16	\$ 100.00	\$ 100.00	\$ -	Follow up 24-Sep-18	
1-Mar-16	\$ 195.00	\$ -	\$ 195.00	To LVO 28-Sep-18	
1-Mar-16	\$ 585.00	\$ -	\$ 585.00	To LVO 28-Sep-18	
16-Mar-16	\$ 81.50	\$ 81.50	\$ -		
2-May-16	\$ 202.00	\$ -	\$ 202.00		
13-May-16	\$ 1,847.22	\$ 1,847.22	\$ -		
16-Jun-16	\$ 8,202.00	\$ -	\$ 8,202.00	To LVO 28-Sep-18	
17-Aug-16	\$ 225.00	\$ -	\$ 225.00	Follow 24-Sep-18	
23-Sep-16	\$ 13,427.00	\$ -	\$ 13,427.00	To LVO 28-Sep-18	Recd 28-Sep-18
25-Nov-16	\$ 120.00	\$ -	\$ 120.00		
11-Jan-17	\$ 202.00	\$ -	\$ 202.00		
	\$ 330,572.90	\$ 50,441.83	\$ 279,850.97		
Cheques expected Oct 5,2018					

APPENDIX W

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument Received	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Conveyance	5th February-14	\$ 77,000.00	26-Apr-18	500.00	26-Apr-18	\$ 77,500.00	10-May-18
Conveyance	5th February-14	70,000.00	26-Apr-18	500.00	26-Apr-18	70,500.00	10-May-18
Conveyance	5th February-14	59,500.00	26-Apr-18	500.00	26-Apr-18	60,000.00	10-May-18
Conveyance	5th February-14	45,200.00	26-Apr-18	500.00	26-Apr-18	45,700.00	10-May-18
Lease	1st February-2013	148,100.00	26-Apr-18		26-Apr-18	148,100.00	5-Oct-18
Deed of Exchange	1st February-2013	2,074.00	26-Apr-18		26-Apr-18		
Voluntary Conveyance	7th January 2015	3,050.00	26-Apr-18		26-Apr-18	3,050.00	18-May-18
Voluntary Conveyance	13-January, 2014	19,840.00	30-Apr-18		30-Apr-18	19,840.00	11-Jun-18
Voluntary Conveyance	13th January 2014	9,710.00	30-Apr-18		30-Apr-18	9,710.00	11-Jun-18
Voluntary Conveyance	14th November 2014	2,020.00	30-Apr-18		30-Apr-18	2,202.00	21-Jun-18
Voluntary Conveyance	27th January 2014	10,250.00	30-Apr-18		30-Apr-18		
Voluntary Conveyance	17th March 2014	4,062.50	30-Apr-18		30-Apr-18	4,062.50	8-Jun-18
Conveyance	21-Apr-14	11,750.00	30-Apr-18		30-Apr-18	11,750.00	4-May-18
Voluntary Conveyance	6th May, 2014	13,499.99	30-Apr-18		30-Apr-18	13,499.99	10-May-18
Assignment of Lease & duplicate	17th March 2014	7,275.00	30-Apr-18		30-Apr-18	7,275.00	8-May-18
Conveyance	24th March 2014	7,250.00	30-Apr-18		30-Apr-18	7,250.00	5-Jun-18
Voluntary Conveyance	13th January 2014	19,840.00	30-Apr-18		30-Apr-18		
Voluntary Conveyance	13th January 2014	9,710.00	30-Apr-18		30-Apr-18		
Voluntary Conveyance	23rd February 2016	125.00	4-May-18		7-May-18	125.00	11-May-18
Voluntary Conveyance	15th March 2015	2,000.00	4-May-18		7-May-18	2,000.00	8-May-18
Voluntary Conveyance	3rd March 2015	9,687.50	4-May-18		7-May-18		
Voluntary Conveyance	3rd March 2015	15,000.00	4-May-18		7-May-18		
Voluntary Conveyance	15th March 2015	46,000.00	4-May-18		7-May-18	46,000.00	11-May-18
Voluntary Conveyance	18th March 2015	8,750.00	4-May-18		7-May-18	8,750.00	11-May-18
Vesting Deed & Voluntary Conveyance	12th March 2015	10,700.00	4-May-18		7-May-18	10,700.00	21-May-18
Deed of Confirmation & Reconveyance	19th March 2014	182.34	4-May-18		7-May-18		
Assignment of Lease & duplicate	30th August 2013	3,350.00	7-May-18		8-May-18	3,350.00	7-Jun-18
Voluntary Conveyance	23rd December 2013	6,425.00	8-May-18		8-May-18	6,425.00	20-Jul-18
Conveyance	6th November 2013	9,275.00	8-May-18		8-May-18	9,275.00	10-May-18
Voluntary Conveyance	23rd October 2013	4,250.00	8-May-18		8-May-18	4,250.00	19-Jun-18
Assignment of Lease & duplicate	20th November 2013	4,575.00	8-May-18		8-May-18		
Conveyance	3rd December 2013	7,250.00	8-May-18		8-May-18	7,250.00	10-May-18
Voluntary Conveyance - Revised assessment	8th July 2014	17,000.00	3-Jul-18		4-Jul-18	17,000.00	6-Aug-18
Voluntary Conveyance	8th May 2014	3,500.00	23-May-18		23-May-18	3,500.00	11-Jun-18
Voluntary Conveyance	5th November 2014	102,500.00	24-May-18		24-May-18		
Voluntary Assignment of Lease	25th March 2014	8,000.00	23-May-18		24-May-18	8,000.00	5-Jun-18
Voluntary Conveyance	8th May, 2014	3,500.00	23-May-18		24-May-18		
Conveyance	2nd June 2014	12,500.00	5-Jun-18		5-Jun-18	11,499.00	27-Jul-18
Voluntary Conveyance	18th June 2014	8,000.00	5-Jun-18		5-Jun-18	8,000.00	3-Jul-18
Deed of Exchange & dup	18th June 2014	225.00	5-Jun-18		5-Jun-18	225.00	13-Jun-18
Voluntary Conveyance	24th April 2014	10,250.00	5-Jun-18		5-Jun-18		

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument Received	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Voluntary Conveyance & Further Charge	7th July 2014	21,364.36	5-Jun-18		5-Jun-18	21,364.36	11-Jun-18
Deed of Exchange & dup	8th July 2014	725.00	5-Jun-18		5-Jun-18	725.00	13-Jun-18
Vesting Deed & Voluntary Conveyance	14th July 2014	6,500.00	5-Jun-18		5-Jun-18		
Vesting Deed & Voluntary Conveyance	15th August 2014	12,500.00	5-Jun-18			12,500.00	13-Jun-18
Deed of Confirmation & Conveyance	15th August 2014	300.00	5-Jun-18		5-Jun-18	300.00	15-Jun-18
Voluntary Conveyance	8th October 2014	13,040.00	5-Jun-18		5-Jun-18	13,040.00	13-Jun-18
Voluntary Conveyance	24th October 2014	22,000.00	5-Jun-18		5-Jun-18	22,000.00	26-Jun-18
Conveyance	4th December 2014	9,875.00	5-Jun-18		5-Jun-18		
Voluntary Conveyance	16th December 2014	5,750.00	5-Jun-18		5-Jun-18	5,750.00	15-Jun-18
Voluntary Conveyance	9th December 2014	2,975.00	5-Jun-18		5-Jun-18		
Voluntary Conveyance	12th January 2015	12,500.00	5-Jun-18		5-Jun-18	12,500.00	27-Jun-18
Voluntary Conveyance	14th January 2015	16,000.00	5-Jun-18		5-Jun-18	16,000.00	15-Jun-18
Voluntary Conveyance	28th January 2015	4,180.00	5-Jun-18		5-Jun-18	4,180.00	11-Jun-18
Voluntary Conveyance	28th January 2015	1,726.67	5-Jun-18		5-Jun-18	1,726.67	11-Jun-18
Voluntary Conveyance	12th February 2015	20,700.00	5-Jun-18		5-Jun-18	20,700.00	15-Jun-18
Voluntary Conveyance	12th February 2015	14,020.00	5-Jun-18		5-Jun-18		
Voluntary Conveyance	16th February 2015	16,400.00	5-Jun-18		5-Jun-18		
Voluntary Conveyance	27th February 2015	2,656.25	5-Jun-18		5-Jun-18	2,656.25	22-Jun-18
Voluntary Conveyance	27th February 2015	2,656.25	5-Jun-18		5-Jun-18	2,656.25	22-Jun-18
Voluntary Conveyance	27th February 2015	8,750.00	5-Jun-18		5-Jun-18	8,750.00	31-Aug-18
Deed of Exchange	9th January 2014	325.00	27-Jun-18		2-Jul-18	325.00	23-Aug-18
Vesting Deed & Voluntary Conveyance	19th December 2013	45,000.00	9-Aug-18		9-Aug-18	45,000.00	24-Aug-18
Conveyance	23rd December 2013	18,350.00	27-Jun-18		2-Jul-18	18,350.00	20-Jul-18
Voluntary Conveyance	9th January 2014	7,950.00	27-Jun-18		2-Jul-18	7,950.00	23-Aug-18
Voluntary Conveyance	28th February 2014	9,800.00	27-Jun-18		2-Jul-18	9,800.00	17-Aug-18
Voluntary Conveyance	28th February 2014	13,256.00	27-Jun-18		2-Jul-18		
Conveyance (Divorce)	3rd June 2014	200.00	27-Jun-18		2-Jul-18	200.00	17-Jul-18
Voluntary Conveyance & Deed of Further	26th August 2014	8,082.78	27-Jun-18		2-Jul-18		
Voluntary Conveyance	23rd September 2014	4,625.00	27-Jun-18		2-Jul-18		
Conveyance	8th October 2014	5,000.00	27-Jun-18		2-Jul-18	5,000.00	12-Jul-18
Voluntary Conveyance	7th November 2014	225.00	27-Jun-18		2-Jul-18		
Deed of Exchange & duplicate	19th December 2014	965.00	27-Jun-18		2-Jul-18	965.00	17-Aug-18
Voluntary Assignment of sub-lease & duplicate	19th December 2014	6,920.00	27-Jun-18		2-Jul-18	6,920.00	27-Jul-18
Voluntary Conveyance	22nd December 2014	99,000.00	27-Jun-18		2-Jul-18		
Lease & duplicate	15th January 2015	5,850.00	27-Jun-18		2-Jul-18	5,850.00	12-Jul-18
Voluntary Conveyance	8th April 2015	5,750.00	27-Jun-18		2-Jul-18		
Voluntary Conveyance	8th April 2015	5,300.00	27-Jun-18		2-Jul-18		
Conveyance (Boundary adjustment & duplicate)	15th April 2015	240.50	27-Jun-18		2-Jul-18	240.50	16-Jul-18
Voluntary Conveyance	16th April 2015	11,000.00	27-Jun-18		2-Jul-18	11,000.00	15-Aug-18
Voluntary Conveyance	14th April 2015	27,000.00	27-Jun-18		2-Jul-18		
Voluntary Conveyance	20th August 2015	10,730.00	27-Jun-18		2-Jul-18	10,730.00	12-Jul-18

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument	Stamp Duty Assessed	Date Stamp Duty Assessed	Penalty Assessed	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
	Received	\$	Assessed	\$	Notice Sent		Received
Voluntary Conveyance	20th August 2015	32,080.00	27-Jun-18		2-Jul-18	32,080.00	12-Jul-18
Voluntary Conveyance	20th August 2015	17,120.00	27-Jun-18		2-Jul-18	17,120.00	12-Jul-18
Voluntary Conveyance	20th August 2015	12,770.00	27-Jun-18		2-Jul-18	12,770.00	12-Jul-18
Conveyance (Divorce)	5th April 2016	200.00	27-Jun-18		2-Jul-18	200.00	4-Jul-18
Voluntary Conveyance	5th April 2016	5,375.00	27-Jun-18		2-Jul-18	5,375.00	4-Jul-18
Voluntary Conveyance (Divorce)	16th June 2016	200.00	27-Jun-18		2-Jul-18	200.00	6-Aug-18
Conveyance (Divorce)	27th July 2016	200.00	27-Jun-18		2-Jul-18	200.00	16-Jul-18
Deed of Possessory Title & Conveyance	7th November 2016	404.58	27-Jun-18		2-Jul-18		
Conveyance, Confirmation & Release (Divorce)	15th February 2017	200.00	27-Jun-18		2-Jul-18	200.00	4-Jul-18
Voluntary Conveyance (Divorce)	20th February 2017	200.00	27-Jun-18		2-Jul-18		
Voluntary Assignment of Lease & duplicate	8th February 2017	225.00	27-Jun-18		2-Jun-18	225.00	10-Jul-18
Deed of Exchange & duplicate	9th December 2014	45,325.00	3-Jul-18		4-Jul-18		
Conveyance	30th August 2013	200.00	5-Jul-18		6-Jul-18	200.00	16-Jul-18
Voluntary Conveyance	27th March 2015	200.00	5-Jul-18		6-Jul-18	200.00	
Conveyance	13th May 2015	100.00	5-Jul-18		6-Jul-18	100.00	27-Jul-18
Voluntary Conveyance	15th May 2015	900.00	4-Jul-18		6-Jul-18	900.00	13-Jul-18
Voluntary Conveyance	21st May 2015	1,750.00	4-Jul-18		6-Jul-18	1,750.00	17-Aug-18
Voluntary Assignment of sub-lease & duplicate	22nd May 2015	17,025.00	4-Jul-18		6-Jul-18	17,025.00	17-Jul-18
Voluntary Conveyance	22nd May 2015	6,150.00	4-Jul-18		6-Jul-18	6,150.00	25-Jul-18
Voluntary Leasehold Assignment & duplicate	22nd May 2015	11,775.00	4-Jul-18		6-Jul-18	11,775.00	30-Jul-18
Voluntary Conveyance	20th May 2015	8,750.00	4-Jul-18		6-Jul-18	8,750.00	1-Aug-18
Voluntary Conveyance	28th May 2015	15,000.00	4-Jul-18		6-Jul-18	15,000.00	14-Aug-18
Conveyance	29th May 2015	4,250.00	4-Jul-18		6-Jul-18		
Voluntary Conveyance	29th May 2015	7,250.00	4-Jul-18		6-Jul-18		
Voluntary Conveyance	30th April 2015	10,250.00	4-Jul-18		6-Jul-18	10,250.00	12-Jul-18
Voluntary Conveyance	16th April 2015	22,480.00	4-Jul-18		6-Jul-18		
Voluntary Conveyance	12th June 2014	6,800.00	4-Jul-18		6-Jul-18	6,800.00	13-Jul-18
Vesting Deed & Conveyance	20th March 2015	28,000.00	4-Jul-18		6-Jul-18	28,000.00	1-Aug-18
Vesting Deed & Voluntary Conveyance	20th March 2015	28,000.00	4-Jul-18		6-Jul-18	28,000.00	1-Aug-18
Vesting Deed & Voluntary Conveyance	20th March 2015	28,000.00	4-Jul-18		6-Jul-18	28,000.00	1-Aug-18
Vesting Deed & Voluntary Conveyance	20th March 2015	8,750.00	4-Jul-18		6-Jul-18	8,750.00	1-Aug-18
Voluntary Conveyance	24th March 2015	7,250.00	4-Jul-18		6-Jul-18	7,250.00	16-Jul-18
Conveyance	27th March 2015	7,550.00	4-Jul-18		6-Jul-18	7,550.00	17-Jul-18
Voluntary Conveyance	28th April 2015	7,670.00	4-Jul-18		6-Jul-18	7,670.00	23-Jul-18
Voluntary Conveyance	12th May 2015	32,400.00	9-Jul-18		9-Jul-18	32,400.00	20-Jul-18
Deed of Confirmation & Conveyance	20th March 2015	50.00	9-Jul-18		9-Jul-18	50.00	16-Jul-18
Voluntary Conveyance	27th March 2015	200.00	9-Jul-18		9-Jul-18	200.00	12-Jul-18
Voluntary Conveyance	23th May 2015	947.50	9-Jul-18		9-Jul-18	947.50	12-Jul-18
Voluntary Conveyance	2nd September 2015	65.00	11-Jul-18		16-Jul-18		
Voluntary Conveyance	3rd September 2015	800.00	11-Jul-18		16-Jul-18	800.00	31-Aug-18
Voluntary Conveyance		18,000.00	11-Jul-18		16-Jul-18		

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument Received	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Voluntary Assignment of Lease & duplicate	16th September 2015	16,025.00	11-Jul-18		16-Jul-18	16,025.00	16-Aug-18
Voluntary Conveyance	16th September 2015	12,500.00	11-Jul-18		16-Jul-18	12,500.00	14-Aug-18
Voluntary Conveyance	12th October 2015	4,250.00	11-Jul-18		16-Jul-18	16,000.00	7-Aug-18
Voluntary Conveyance	12th October 2015	16,000.00	11-Jul-18		16-Jul-18	16,000.00	7-Aug-18
Voluntary Conveyance	29th September 2015	17,000.00	11-Jul-18		16-Jul-18	500.00	1-Oct-18
Voluntary Conveyance	24th September 2015	7,000.00	11-Jul-18		16-Jul-18		
Voluntary Conveyance	24th September 2015	5,500.00	11-Jul-18		16-Jul-18		
Conveyance	18th September 2015	15,450.00	11-Jul-18		16-Jul-18	15,450.00	31-Aug-18
Voluntary Conveyance	13th October 2015	16,000.00	11-Jul-18		16-Jul-18		
Conveyance	19th August 2015	16,000.00	11-Jul-18		16-Jul-18	4,000.00	26-Sep-18
Conveyance	19th August 2015	40,000.00	11-Jul-18		16-Jul-18		
Voluntary Conveyance	18th August 2015	2,420.00	11-Jul-18		16-Jul-18	2,420.00	30-Aug-18
Coneyance & Vesting Deed	13th August 2015	6,750.00	11-Jul-18		16-Jul-18	6,750.00	26-Jul-18
Conveyance	18th August 2015	2,750.00	11-Jul-18		16-Jul-18	2,750.00	30-Aug-18
Voluntary Conveyance	4th June 2015	14,000.00	10-Jul-18		16-Jul-18	14,000.00	19-Jul-18
Voluntary Conveyance & Confirmation	12th June 2015	1,500.00	10-Jul-18		16-Jul-18	1,500.00	26-Jul-18
Voluntary Conveyance	16th June 2015	1,333.33	10-Jul-18		16-Jul-18	1,333.33	28-Aug-18
Voluntary Conveyance	23rd June 2015	20,000.00	11-Jul-18		16-Jul-18	20,000.00	25-Jul-18
Voluntary Conveyance	3rd July 2015	6,050.00	10-Jul-18		16-Jul-18	6,050.00	28-Aug-18
Voluntary Conveyance	29th January 2015	600.00	10-Jul-18		16-Jul-18		
Conveyance	5th August 2015	16,000.00	11-Jul-18		16-Jul-18	16,000.00	25-Jul-18
Conveyance	5th August 2015	14,250.00	11-Jul-18		16-Jul-18	14,250.00	23-Jul-18
Voluntary Assignment of Lease	7th August 2015	30,000.00	10-Jul-18		16-Jul-18	30,000.00	22-Aug-18
Voluntary Conveyance & Deed of Confirmation	20th August 2015	5,187.00	11-Jul-18		16-Jul-18		
Vesting Deed & Conveyance	20th August 2015	9,500.00	16-Jul-18		16-Jul-18	9,500.00	30-Aug-18
Deed of Exchange & duplicate	21st December 2015	9,725.00	16-Jul-18		16-Jul-18	9,725.00	21-Sep-18
Conveyance	30th March 2015	26,000.00	16-Jul-18		16-Jul-18		
Voluntary Conveyance	9th October 2015	22,666.67	16-Jul-18		16-Jul-18		
Conveyance	18th November 2015	6,500.00	12-Jul-18		16-Jul-18		
Voluntary Conveyance	9th November 2015	11,000.00	12-Jul-18		16-Jul-18	11,000.00	13-Aug-18
Voluntary Conveyance	10th November 2015	18,000.00	12-Jul-18		16-Jul-18		
Voluntary Conveyance	10th November 2015	6,500.00	12-Jul-18		16-Jul-18		
Conveyance	27th October 2015	200.00	12-Jul-18		16-Jul-18	200.00	20-Jul-18
Grant of Right of Way	20th October 2015	20.00	12-Jul-18		16-Jul-18	20.00	26-Jul-18
Conveyance	16th October 2015	9,500.00	12-Jul-18		16-Jul-18		
Conveyance	17th December 2015	40,000.00	17-Jul-18		17-Jul-18	40,000.00	30-Aug-18
Voluntary Conveyance	22nd December 2015	9,440.00	12-Jul-18		17-Jul-18	9,440.00	30-Aug-18
Voluntary Conveyance	22nd December 2015	41,860.00	12-Jul-18		17-Jul-18	41,860.00	30-Aug-18
Voluntary Conveyance	22nd December 2015	5,142.50	31-Aug-18		31-Aug-18	5,142.50	26-Sep-18
Voluntary Conveyance	22nd December 2015	10,602.50	31-Aug-18		31-Aug-18	10,602.50	26-Sep-18
Voluntary Conveyance	22nd December 2015	9,337.50	17-Jul-18		17-Jul-18	9,337.50	30-Aug-18

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Voluntary Conveyance	22nd December 2015	11,285.00	17-Jul-18		17-Jul-18	11,285.00	30-Aug-18
Conveyance	23rd December 2015	7,700.00	12-Jul-18		17-Jul-18		
Voluntary Conveyance	22nd December 2015	9,875.00	12-Jul-18		17-Jul-18		
Voluntary Conveyance of Equity	18th November 2015	21,040.00	12-Jul-18		17-Jul-18	21,040.00	28-Aug-18
Voluntary Conveyance	17th December 2015	8,360.00	12-Jul-18		17-Jul-18		
Voluntary Conveyance	17th December 2015	5,630.00	12-Jul-18		17-Jul-18		
Voluntary Conveyance	27th November 2015	5,402.00	12-Jul-18		17-Jul-18	5,402.00	25-Jul-18
Deed of Exchange & duplicate	22nd March 2016	225.00	7-Aug-18		8-Aug-18	225.00	21-Sep-18
Voluntary Conveyance	19th April 2016	16,000.00	7-Aug-18		8-Aug-18		
Voluntary Conveyance	6th January 2016	7,437.50	8-Aug-18		8-Aug-18		
Vesting Deed & Voluntary Conveyance	25th January 2016	11,000.00	8-Aug-18		8-Aug-18	11,000.00	28-Aug-18
Voluntary Conveyance	11th April 2016	1,714.29	8-Aug-18		8-Aug-18	1,714.29	22-Aug-18
Reconveyance & Conveyance	15th April 2016	185,125.00	8-Aug-18		8-Aug-18		
Voluntary Conveyance	30th March 2016	5,000.00	7-Aug-18		8-Aug-18	5,000.00	13-Sep-18
Voluntary Conveyance	18th January 2016	200.00	7-Aug-18		8-Aug-18	200.00	20-Aug-18
Voluntary Conveyance	8th April 2016	6,714.29	7-Aug-18		8-Aug-18	6,714.20	22-Aug-18
Voluntary Conveyance	15th April 2016	53,500.00	7-Aug-18		8-Aug-18	53,500.00	6-Oct-18
Voluntary Conveyance	15th April 2016	775.00	7-Aug-18		8-Aug-18	775.00	24-Aug-18
Conveyance	22nd February 2016	200.00	6-Aug-18		8-Aug-18	200.00	28-Aug-18
Voluntary Conveyance	9th February 2016	4,400.00	6-Aug-18		8-Aug-18	4,400.00	22-Aug-18
Voluntary Conveyance	9th February 2016	3,500.00	6-Aug-18		8-Aug-18	3,500.00	22-Aug-18
Voluntary Conveyance	5th February 2016	200.00	6-Aug-18		8-Aug-18	200.00	15-Aug-18
Deed of Exchange & Conveyance & duplicate	19th February 2016	90,475.00	6-Aug-18		8-Aug-18	90,475.00	21-Aug-18
Conveyance	22nd February 2016	400.00	6-Aug-18		8-Aug-18	400.00	28-Aug-18
Conveyance	22nd February 2016	80.00	6-Aug-18		8-Aug-18	80.00	28-Aug-18
Conveyance	29th February 2016	8,000.00	7-Aug-18		8-Aug-18		
Voluntary Conveyance	13th January 2016	158,500.00	6-Aug-18		8-Aug-18		
Conveyance & Release	18th January 2016	20,000.00	6-Aug-18		8-Aug-18	20,000.00	23-Aug-18
Voluntary Conveyance	27th January 2016	1,000.00	6-Aug-18		8-Aug-18		
Voluntary Conveyance	27th January 2016	1,000.00	6-Aug-18		8-Aug-18		
Voluntary Conveyance	25th January 2016	7,700.00	6-Aug-18		8-Aug-18		
Conveyance (by way of boundary adjustment)	9th March 2016	175.00	6-Aug-18		8-Aug-18		
Voluntary Conveyance	2nd March 2016	10,250.00	6-Aug-18		8-Aug-18		
Voluntary Conveyance/ Conveyance & Vol Conv	1st March 2016	13,750.00	9-Aug-18		9-Aug-18		
Voluntary Conveyance	14th January 2016	4,780.00	6-Aug-18		9-Aug-18	4,780.00	28-Aug-18
Assignment of Lease & duplicate	15th December 2016	11,175.00	17-Aug-18		17-Aug-18	11,175.00	14-Sep-18
Voluntary Conveyance & Conveyance	3rd July 2016	10,403.13	15-Aug-18		17-Aug-18		
Voluntary Conveyance	28th October 2015	15,760.00	16-Aug-18		17-Aug-18	15,760.00	28-Aug-18
Voluntary Conveyance	28th October 2015	10,934.00	16-Aug-18		17-Aug-18	10,934.00	28-Aug-18
Voluntary Conveyance	18th December 2015	19,840.00	16-Aug-18		17-Aug-18	19,840.00	28-Aug-18
Voluntary Conveyance	18th December 2015	680.00	16-Aug-18		17-Aug-18	680.00	30-Aug-18

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument Received	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Voluntary Conveyance	18th December 2015	16,440.00	16-Aug-18		17-Aug-18	16,440.00	30-Aug-18
Re-Assignment	27th Janaury 2016	250.00	21-Aug-18		21-Aug-18	250.00	23-Aig-18
Voluntary Conveyance	19th May 2016	12,800.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance (boundary Adjustment)	2nd May 2016	55.00	20-Aug-19		22-Aug-18	55.00	5-Sep-18
Voluntary Conveyance	2nd May 2016	8,375.00	21-Aug-18		22-Aug-18	8,375.00	31-Aug-18
Voluntary Conveyance	9th May 2016	5,900.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance	9th May 2016	9,000.00	20-Aug-18		22-Aug-18	9,000.00	30-Aug-18
Voluntary Conveyance	11th May 2016	2,262.50	20-Aug-18		22-Aug-18	2,262.50	1-Oct-18
Voluntary Conveyance	13th May 2016	6,500.00	20-Aug-18		22-Aug-18	6,500.00	31-Aug-18
Voluntary Conveyance	9th May 2016	7,500.00	6-Sep-18		6-Sep-18		
Deed of Exchange & duplicate	19th May 2016	22,225.00	20-Aug-18		22-Aug-18	22,225.00	26-Sep-18
Voluntary Conveyance	25th May 2016	32,080.00	20-Aug-18		22-Aug-18	32,080.00	5-Oct-18
Voluntary Conveyance	25th May 2016	19,840.00	20-Aug-18		22-Aug-18		
Assignment of Promissory Note (Deed of Gift)	9th May 2016	2,375.00	21-Aug-18		22-Aug-18	2,375.00	24-Aug-18
Voluntary Conveyance	28th June 2016	16,000.00	20-Aug-18		22-Aug-18	16,000.00	26-Sep-18
Voluntary Conveyance	7th July 2016	20,000.00	20-Aug-18		22-Aug-18	20,000.00	14-Sep-18
Voluntary Conveyance	30th June 2016	11,246.00	21-Aug-18		22-Aug-18	11,246.00	11-Sep-18
Voluntary Conveyance	18th July 2016	165.00	20-Aug-18		22-Aug-18	165.00	28-Aug-18
Vesting Assent & Voluntary Conveyance	18th July 2016	8,375.00	21-Aug-18		22-Aug-18	8,375.00	12-Sep-18
Voluntary Conveyance	12th July 2016?	23,400.00	20-Aug-18		22-Aug-18		
Voluntary conveyance	20th July 2016	25,320.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance	5th August 2016	550.00	20-Aug-18		22-Aug-18	550.00	11-Sep-18
Voluntary Conveyance	25th August 2016	11,375.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance	31st August 2016	11,750.00	20-Aug-18		22-Aug-18	11,750.00	5-Oct-18
Voluntary Conveyance	21st September 2016	3,875.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance	20th September 2016	18,000.00	21-Aug-18		22-Aug-18	18,000.00	12-Sep-18
Voluntary Conveyance	14th September 2016	4,550.00	20-Aug-18		22-Aug-18	4,550.00	5-Sep-18
Voluntary Conveyance	14th September 2016	211.11	20-Aug-18		22-Aug-18	211.11	26-Sep-19
Voluntary Assignment of Lease & duplicate	15th September 2016	225.00	21-Aug-18		22-Aug-18	225.00	7-Sep-18
Voluntary Conveyance	27th September 2016	625.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance & duplicate	17th October 2016	1,736.43	20-Aug-18		22-Aug-18	1,736.43	28-Aug-18
Voluntary Conveyance	21st October 2016	12,875.00	20-Aug-18		22-Aug-18	12,875.00	11-Sep-18
Voluntary Conveyance	11th October 2016	9,725.00	20-Aug-18		22-Aug-18	9,725.00	21-Sep-18
Voluntary Conveyance	10th October 2016	6,500.00	20-Aug-18		22-Aug-18	6,500.00	28-Aug-18
Voluntary Conveyance	20th October 2016	2,375.00	20-Aug-18		22-Aug-18		
Voluntary Conveyance	27th October 2016	5,750.00	20-Aug-18		22-Aug-18	5,750.00	28-Aug-18
Memorandum of Addition	24th October 2016	750.00	21-Aug-18		22-Aug-18	750.00	28-Aug-18
Voluntary Conveyance	26th October 2016	11,600.00	21-Aug-18		22-Aug-18		
Voluntary Conveyance	1st November 2016	11,600.00	21-Aug-18		22-Aug-18	11,600.00	1-Oct-18
Voluntary Conveyance	18th November 2016	17,800.00	21-Aug-18		22-Aug-18	17,800.00	5-Oct-18
Voluntary Conveyance	30th November 2016	3,275.00	20-Aug-18		22-Aug-18	3,275.00	26-Sep-18

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument	Stamp Duty Assessed	Date Stamp Duty Assessed	Penalty Assessed	Date Assessment	Amount received	Date Stamp Duty Received
	Received	\$	Assessed	\$	Notice Sent		Received
Conveyance	6th December 2016	2,800.00	21-Aug-18		22-Aug-18	2,800.00	10-Sep-18
Voluntary Conveyance	23rd November 2016	40,000.00	20-Aug-18		22-Aug-18	40,000.00	28-Aug-18
Vesting Deed/Voluntary Conveyance	16th December 2016	5,750.00	21-Aug-18		22-Aug-18	5,750.00	28-Aug-18
Voluntary Conveyance	17th February 2017	333.33	29-Aug-18		30-Aug-18	333.33	11-Sep-18
Voluntary Conveyance	17th February 2017	10,500.00	27-Aug-18		30-Aug-18	10,500.00	11-Sep-18
Voluntary Conveyance	17th February 2017	18,000.00	27-Aug-18		30-Aug-18	18,000.00	11-Sep-18
Voluntary Conveyance	17th February 2017	32,000.00	27-Aug-18		30-Aug-18	32,000.00	11-Sep-18
Vesting Deed & Voluntary Conveyance	1st February 2017	99,000.00	27-Aug-18		30-Aug-18	99,000.00	18-Sep-18
Voluntary Conveyance	25th January 2017	2,750.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	22nd March 2017	40,000.00	28-Aug-18		30-Aug-18	40,000.00	5-Sep-18
Voluntary Conveyance	28th April 2017	7,250.00	28-Aug-18		30-Aug-18		
Voluntary Conveyance	19th January 2017	32,000.00	29-Aug-18		30-Aug-18	32,000.00	13-Sep-18
Voluntary Conveyance	20th September 2017	17,400.00	29-Aug-18		30-Aug-18		
Conveyance (Boundary adjustment)	25th January 2017	260.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	25th January 2017	8,750.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	30th January 2017	4,150.00	27-Aug-18		30-Aug-18	4,150.00	11-Sep-18
Voluntary Conveyance	9th January 2017	9,500.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	9th January 2017	9,500.00	27-Aug-18		30-Aug-18		
Conveyance	4th January 2017	11,474.00	29-Aug-18		30-Aug-18		
Conveyance	27th January 2017	7,550.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	24th March 2017	43,000.00	29-Aug-18		30-Aug-18		
Voluntary Conveyance	29th August 2017	18,000.00	28-Aug-18		30-Aug-18	482.55	13-Sep-18
Voluntary Conveyance	23rd February 2017	12,650.00	28-Aug-18		30-Aug-18	12,650.00	13-Sep-18
Voluntary Conveyance	29th September 2017	52,000.00	29-Aug-18		30-Aug-18	52,000.00	27-Sep-18
Voluntary Conveyance	17th February 2017	13,250.00	29-Aug-18		30-Aug-18		
Voluntary Conveyance	22nd February 2017	18,480.00	29-Aug-18		30-Aug-18		
Voluntary Conveyance	27th February 2017	10,700.00	27-Aug-18		30-Aug-18		
Conveyance	23rd August 2017	28,000.00	28-Aug-18		30-Aug-18	28,000.00	1-Oct-18
Assignment of Lease & duplicate	17th March 2017	17,025.00	28-Aug-18		30-Aug-18	17,025.00	26-Sep-18
Conveyance	3rd February 2017	99,000.00	27-Aug-18		30-Aug-18		
Boundary Adjustment	20th January 2017	625.00	27-Aug-18		30-Aug-18	625.00	11-Sep-18
Conveyance	17th July 2017	2,500.00	28-Aug-18		30-Aug-18	2,500.00	12-Sep-18
Voluntary Conveyance	7th August 2017	1,200.00	27-Aug-18		30-Aug-18	1,200.00	5-Sep-18
Voluntary Conveyance	13th February 2017	200.00	29-Aug-18		30-Aug-18	200.00	7-Sep-18
Deed of Appointment and Assignment of Lease	24th October 2017	100.00	30-Aug-18		30-Aug-18		
Conveyance & Confirmation of Severance	16th June 2017	21,000.00	28-Aug-18		30-Aug-18	21,000.00	5-Sep-18
Voluntary Conveyance	10th May 2017	8,702.00	30-Aug-18		30-Aug-18	8,702.00	5-Oct-18
Voluntary Assignment of Lease & duplicate	29th March 2017	43,025.00	28-Aug-18		30-Aug-18		
Assignment of Lease & duplicate	22nd July 2014	43,225.00	28-Aug-18		30-Aug-18		
Vesting Deed & Voluntary Conveyance	13th February 2017	24,000.00	29-Aug-18		30-Aug-18		
Voluntary Conveyance	13th February 2017	49,000.00	27-Aug-18		30-Aug-18		

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)							
28th April 2018							
(Position as At October 8 th, 2018)							
TYPE OF INSTRUMENT	Date Instrument Received	Stamp Duty Assessed \$	Date Stamp Duty Assessed	Penalty Assessed \$	Date Assessment Notice Sent	Amount received	Date Stamp Duty Received
Voluntary Conveyance	13th February 2017	58,000.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	13th February 2017	71,000.00	27-Aug-18		30-Aug-18		
Voluntary Conveyance	18th May 2017	81,500.00	10-Sep-18		10-Sep-19	81,500.00	19-Sep-18
Voluntary Conveyance	18th May 2017	61,000.00	4-Sep-18		10-Sep-19	61,000.00	19-Sep-18
Voluntary Conveyance	5th May 2017	18,000.00	5-Sep-18		10-Sep-18		
Voluntary Conveyance	1st May 2017	8,450.00	10-Sep-18		10-Sep-18		
Voluntary Conveyance	22nd December 2017	20,000.00	5-Sep-18		10-Sep-18		
Voluntary Conveyance	22nd December 2017	6,500.00	10-Sep-18		10-Sep-18	6,500.00	13-Sep-18
Voluntary Conveyance	22nd December 2017	6,950.00	4-Sep-18		10-Sep-18	6,950.00	13-Sep-18
Voluntary Conveyance	22nd December 2017	7,250.00	10-Sep-18		10-Sep-18	7,250.00	13-Sep-18
Deed of Confirmation & Conveyance	8th June 2017	100.00	4-Sep-18		10-Sep-18	100.00	13-Sep-18
Voluntary Conveyance	11th July 2017	5,500.00	10-Sep-18		10-Sep-18		
Voluntary Conveyance & Duplicate	15th December 2017	1,525.00	5-Sep-18		10-Sep-18		
Voluntary Conveyance & duplicate	15th December 2017	1,525.00	5-Sep-18		10-Sep-18		
Voluntary Conveyance	3rd May 2017	12,884.00	4-Sep-18		10-Sep-18	12,884.00	24-Sep-18
Assignment of Lease & duplicate	14th July 2017	8,025.00	10-Sep-18		10-Sep-18	8,025.00	1-Oct-18
Appointment Conveyance	14th July 2017	100.00	4-Sep-18		10-Sep-18	100.00	5-Oct-18
Appointment Conveyance	14th July 2017	100.00	4-Sep-18		10-Sep-18	100.00	5-Oct-18
Voluntary Conveyance	13th June 2017	18,570.00	4-Sep-18		10-Sep-18		
Voluntary Conveyance	13th June 2017	7,190.00	4-Sep-18		10-Sep-18		
Voluntary Conveyance	13th June 2017	9,920.00	4-Sep-18		10-Sep-18		
Voluntary Conveyance	31st May 2017	24,000.00	5-Sep-18		10-Sep-18		
Voluntary Conveyance	31st May 2017	245.00	10-Sep-18		10-Sep-18		
Voluntary Conveyance	29th May 2017	17,000.00	10-Sep-18		10-Sep-18		
Conveyance	13th June 2017	7,775.00	5-Sep-18		10-Sep-18	7,775.00	14-Sep-18
Voluntary Conveyance	12th May 2017	3,100.00	10-Sep-18		10-Sep-18		
Voluntary Conveyance	15th May 2017	2,000.00	10-Sep-18		10-Sep-18		
Voluntary Conveyance	12th June 2017	7,580.00	25-Sep-18		25-Sep-18		
Severance & Voluntary Conveyance	15th December 2017	8,335.00	25-Sep-18		25-Sep-18		
Voluntary Assignment of Lease & duplicate	26th January 2016	7,275.00	25-Sep-18		25-Sep-18		
Conveyance	28th June 2018	46,000.00	28-Sep-18		28-Sep-18		
Total received				0.00			
		4,738,275.30		2,000.00		\$ 2,714,238.26	
				2,000.00		Total amount	
Count 318 matters						collected to date	
						57%	

STAMP DUTY ASSESSMENTS SCHEDULE AS AT (unadjudicated files)								
28th April 2018								
(Position as At October 8 th, 2018)								
TYPE OF	Date	Stamp Duty	Date	Penalty	Date	Amount	Date	
INSTRUMENT	Instrument	Assessed	Stamp Duty	Assessed	Assessment	received	Stamp Duty	
	Received	\$	Assessed	\$	Notice Sent		Received	
Voluntary Conveyance	12th May 2017	3,100.00	10-Sep-18		10-Sep-18			
Voluntary Conveyance	15th May 2017	2,000.00	10-Sep-18		10-Sep-18			
Voluntary Conveyance	12th June 2017	7,580.00	25-Sep-18		25-Sep-18			
Severance & Voluntary Conveyance	15th December 2017	8,335.00	25-Sep-18		25-Sep-18			
Voluntary Assignment of Lease & duplicate	26th January 2016	7,275.00	25-Sep-18		25-Sep-18			
Conveyance	28th June 2018	46,000.00	28-Sep-18		28-Sep-18			
Total received				0.00				
		4,738,275.30		2,000.00		\$ 2,714,238.26		
				2,000.00		Total amount		
Count 318 matters						collected to date		
						57%		

APPENDIX X

EFFICIENCY COMMITTEE

I.T. REPORT

LEVERAGING TECHNOLOGY TO INCREASE
EFFICIENCIES WITHIN THE PUBLIC SECTOR

PREPARED BY
KARAMOKO DICKENS
I.T. LEAD
EFFICIENCY COMMITTEE

I.T. REPORT

LEVERAGING TECHNOLOGY TO INCREASE EFFICIENCIES WITHIN THE PUBLIC SECTOR

INTRODUCTION:

The Terms of Reference for the Efficiency Committee included the mandate to review and report on the current state of technology within critical departments and to provide feedback and/or guidance for how technology could be used to mitigate risks and realize efficiencies within the Government of Bermuda (Government). This report summarizes the outcomes from various reviews, conducted by this committee and other organizations (such as CARTAC), of the technological capacities in the Office of the Tax Commissioner (OTC).

It also discusses the Government's current approaches to data and software management, the potential impacts of them if left unchanged, and provides recommendations to improve efficiencies by implementing best practice-related programs and piloting some very promising, emerging technologies.

EXECUTIVE SUMMARY:

Overall the Government uses a loose version of the federated software architecture (FA) model to manage its technology operations related to software assets. The FA model is a strategy used in enterprises (large corporations and governments) that aims to allow for interoperability and information sharing between semi-autonomous de-centrally organized departments or lines of business, information technology systems (enterprise systems), software applications and data.

However, in order for such a model to be successful, various controls must be put in place to govern the design, acquisition, management of the existing software and data, and the integration of new software systems into the organization's environments. Unfortunately, the controls (software and data governance, change management and knowledge acquisition from vendors) within the Government does not rise to the level necessary to realize the benefits of using the federated model.

Additionally, most of the critical knowledge and subject matter expertise detailing how to operate, manage and enhance software systems that is critical to the Government's operations and finances are within the domain and possession of external software vendors.

The Information, Digital and Technology Services (IDT) department focuses mainly on operating the technology infrastructure (servers, networks), which has become commoditized by advances in technology such as cloud computing services and software-defined networks, rather than managing valuable assets (such as business processes, software systems and data).

Instead, these valuable assets go unmanaged, such as software acquisition without governance based on best practices and the siloing of data in duplicative software applications that do not interact and/or communicate with one another. The results are software projects with budget and timeline overruns and data that are fragmented and are difficult to report causing uninformed decisions.

The Tax Information Management System (TIMS) project is an example of a software acquisition project (custom build) that has exceeded the original timeline and budget estimates and has failed to deliver on the project's intended goals. The project was conceptualized in 2008, started in 2012 and has only delivered two modules (Stamp Duty and Land Tax), both of which do not meet the business needs of the OTC.

Recommendations:

It is the recommendation of this committee that the Government start the monitoring, management and tracking of these tremendously valuable assets, which will enable the Government to maximize their return-on-investment in technology and operate in a more cost-efficient and cost-effective manner – all enabled by a data-driven decision-making process. This can be done by implementing Data Governance and Software Asset Management programs within the Government.

A Data Governance program aims to treat data as an asset and enables key principles such as the tracking and reporting of what data is being processed, the software that processes it, where it is located (on systems, networks and databases), what data is related to (what it is - such as data related to tax collection, social insurance or registration of companies), its governance (who has access to it, can revise it and why) and how best to use data to make decisions.

The goals of these programs are listed below.

Data Governance:

- Data will be managed as a shared asset to maximize business value, inform decision makers at the head of department, C.S.E. and Ministerial levels and reduce risks.
- Data governance policies and decisions will be clearly communicated and transparent.
- The data governance program can be scaled based on the size of the department.

Software Asset Management (S.A.M.):

- Implement the infrastructure and processes necessary for the effective management, control and protection of the software assets, throughout all stages of their lifecycle (including software acquisition, implementation, on-going operations, and maintenance and support).
- To reduce information technology (IT) costs and limit business and legal risk related to the ownership and use of software by eliminating redundant systems, maximizing cross-departmental usage of software applications and managing software with principles similar to those used to manage valuable physical assets.
- Maximize IT responsiveness and end-user productivity.

TIMS PROJECT

It is also recommended that the OTC discontinue the TIMS project because it was already obsolete when the project began in 2012, its overruns due to implementation delays, and the development of commercial off-the-shelf products that include functionalities based on best practices related to tax management.

EMERGING TECHNOLOGIES

In order to allow for the most cost-effective method to implement these programs, it is also recommended that a pilot be undertaken using emerging technologies that provide for the management of all of the principles of data governance and software asset management. These technologies combine the ability to enable separate systems (legacy or new) to communicate and exchange data (similarly to the traditional service bus), with the ability to identify, map, classify, analyze, and report on data within these systems.

Such technologies also provide the ability to perform data forecasting and projections (such as those related to budgets and financial decisions) and proactive testing of the financial impacts of new policies during their formation (such as the modeling of the potential impacts of changes to existing tax policies).

DEPARTMENTAL REVIEW OF THE OFFICE OF THE TAX COMMISSIONER

The OTC was the first department that the Efficiency Committee reviewed, and the outcome of the technology review is articulated in the relevant sections below.

REVIEW TIMS (TAX INFORMATION MANAGEMENT SYSTEM) PROJECT:

The TIMS project started in 2012 and its goals were to:

- Re-engineer the OTC's business processes (re-design operating structure);
- Build a custom-developed tax platform from scratch that would replace the existing legacy and manual systems;
- Automate administration of all taxes;
- Create virtual digital representations of the taxpayers;
- Enable case management capabilities that would be used to monitor and enforce tax compliance
- Integrate with other departments' systems to exchange information; and
- Enable an on-line platform for collections of all taxes.

Before initiating a technology project of this nature and usually during the development of the project's conceptual details, a Build vs. Buy exercise is normally undertaken. During this exercise, an analysis is performed to determine the benefits and risks of building a custom-developed solution (Build) or acquiring a Commercial-Off-The-Shelf solution (C.O.T.S - Buy) with a proven track record. The OTC chose the Build approach and the risks related to the approach have been realized.

Often during the building of a custom solution, as with the TIMS project, individual sets of programs are conceived, designed, and developed into a system using internal or external expertise. In this situation, a skilled and comprehensive analysis, design and development team needs to be engaged or

created and maintained. This process uses a traditional and lengthy waterfall approach that is a process in which progress is made by flowing downwards (e.g. waterfall) through the phases of the project.

The waterfall approach requires that detailed designs be confirmed prior to the start of developing the system. Costs for such projects start to accrue during the design process and are unpredictable because the estimated costs are not determined until the design process is complete. Cost overruns often occur during the build-out of custom solutions.

According to research, building a core tax system is a long and detailed process, often requiring a level of knowledge that most tax administrations do not have (how they would like to see systems and procedures operate in the future). Likewise, software developers not familiar with building core tax solutions simply do not have the subject matter expertise to account for the nuances required for such systems.

Nevertheless, once a design is developed, it is “locked in” and the technical build proceeds. The team then develops the system, which is extensively tailored to the specific business needs of the agency. If revisions to the detailed design are necessary in order to successfully deliver the solution, an expensive change order process, usually designed by the software vendor, must be executed in order to amend the original solution’s design to fit the evolving needs of the tax administration.

Additionally, the Build option presents additional risks over time, because the complexity of a system typically increases due to the requirement to implement business and systems improvements and/or fixes. It is common for documentation of these changes to be inadequate, both in terms of individual changes and to the effect that the cumulative changes have on the overall design and build.

In the case of custom-developed systems, the systems are usually maintained / operated by a small number of highly skilled staff or consultants who have a direct and long-standing connection to the system. The continued viability of the system is dependent on these staff members and external consultants and the risk of their unavailability and the costs incurred to support the system during its life-cycle increases over time.

The aforementioned risks have materialized in the TIMS project as evidenced by the lack of system design and support-related documentation which is probably due to the dismissal of the original software development company and the lack of critical knowledge transfer during the process.

The TIMS project was conceptualized in 2008, development was started in 2012 and only two modules have been delivered; the Land Tax and Stamp Duty modules. Both modules have significant defects that have been in the fix / testing cycles since 2013. The report produced by CARTAC during their mission in 2015 stated “the new system being designed by OTC was obsolete when the project began as a result of implementation delays and the development of off-the-shelf products that include best tax practices”. The implementation delays and other project-related deficiencies led to the dismissal of the original software development sub-contractor, LANSA.

World-wide trends indicate that there is a steep decline in the custom development approach as more viable commercial products have become available. Core tax C.O.T.S. solutions which embody best practice-based features of tax administrations have emerged and matured in the marketplace. These solutions, although configurable to cater for differences between multiple tax administrations, are designed to be put into place without major customizations.

The existence of these solutions presents a significant opportunity for the OTC to finally achieve it’s TIMS-project related goals. They represent a modern software suite which has been designed with reference to other tax administrations and they also embody (and in some cases prescribe) the best practices developed from the collective knowledge and best-in-breed business processes of advance tax authorities.

Recommendation:

Long-term Goal (18 – 24 months) - It is the recommendation of CARTAC and the Efficiency Committee that the OTC discontinue development of the TIMS solution and acquire a C.O.T.S. solution. The software agreement for TIMS was reviewed in conjunction with the Attorney’s Generals Chambers and it was determined that the OTC could terminate the contract by giving proper notice to the software vendor (BITS).

It is estimated that no additional costs will be incurred because all invoices related to the milestones of the TIMS project have been paid (as of July 2018).

Out of the box benefits of a C.O.T.S. tax solution are as follows:

- Create a tax-payer centric system;

- Paperless, fully automated processes that can be integrated into other systems and public-sector authorities
- Automation of operations that enables real-time data processing and reporting
- Ability to standardize tax processes with a single tax account structure (taxpayer, tax-type, tax-period)
- Enables taxpayer classifications that allow for risk-based compliance management
- Enables data-driven decisions via business intelligence capabilities

CURRENT SYSTEM CAPABILITIES – LEGACY TAX COMMISSIONER SYSTEM

All taxes other than Land Title and Stamp Duty are managed manually with Microsoft Excel spreadsheets or in the legacy system, called the Tax Commissioner System (TCS). The TCS is built on the AS/400. The TCS system was implemented in 1989, then upgraded in 1995, and it is responsible for the collection of Payroll Taxes. Payroll Taxes represent the majority of revenue that OTC collects for the Government.

During our review of TCS, we were able to verify that data analysis and reporting capabilities of the TCS “are below the basic requirements for reporting of tax revenues and in some instances normal operations” (as articulated by CARTAC). Additionally, one person is responsible for creating the queries necessary to extract data from TCS, which is then manually stitched together into Excel reports.

It often takes an extended period of time to compile and deliver reports due to the inadequacies of the system, its age and maintainability, and because the level-of-effort necessary to extract and manually report on the data is too much for a small team to perform in a timely manner.

Consequently, the age of the data in the reports could be from a few weeks old to a couple months, making it nearly impossible for the OTC team, Tax Commissioner and Ministry of Finance to make data-driven decisions.

The formats of the reports are identical to those produced by legacy mainframes and is printed on green and white perforated paper similar to paper used by banks and other financial institutions in the 1980s – 1990s.

Given the deficiencies in the current systems, the OTC is unable to perform effective or efficient monitoring for tax compliance and debt collection. These issues have permitted outstanding accounts

receivables to rise to an unacceptable level of over \$ 283 million dollars as at March 31, 2017 of which \$ 126 million (45%) of old receivables has been set up as a provision for Bad Debts.

There is also dependency on one I.T. resource, which is an external consultant (Francis Morris from Silver Soft) to maintain and manage the TCS software and build and run critical reports. As such, there are significant operational risks to the OTC given their dependency on the TCS to managed and collect tax-related revenues. If the vendor's resource becomes unavailable to provide support for TCS, the Government will most likely lose the ability to support the system for an extended period of time.

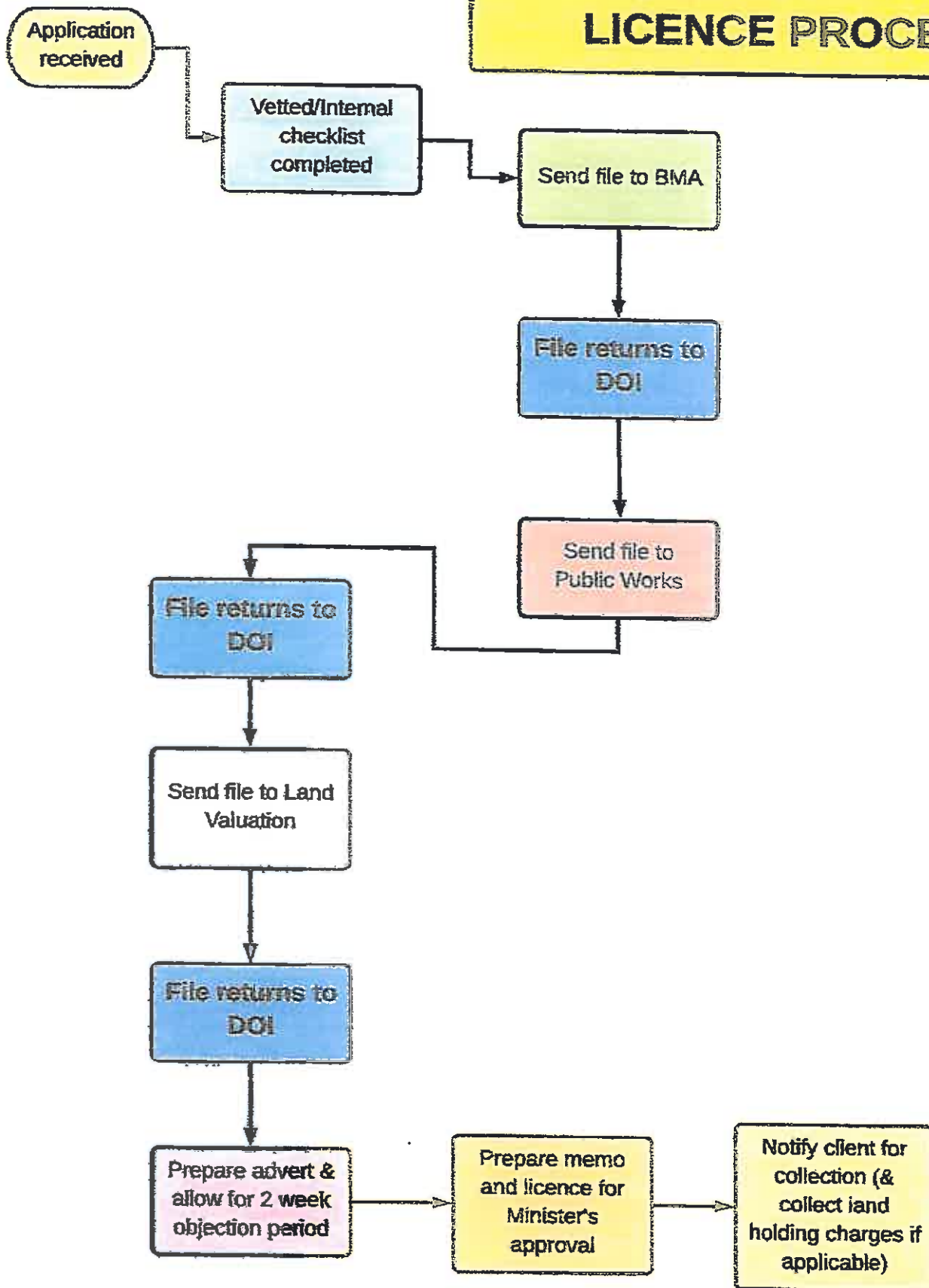
Recommendation:

Short-term Goal (6-12 months) - As a short-term goal, it is the recommendation of this committee, as well as CARTAC, to execute a pilot to implement technology and processes that enable data analytics as a means to provide efficient methods for the ability to collect “the right tax at the right time, more efficiently and more effectively.” This can be achieved by piloting modern data transport and correlation tools, such as simple data warehousing, as well those tools that allow for the acquisition, reporting, visualization of the location, and classification of data similarly to that of modern document management systems (ability to apply tags with the meaning of data to the databases themselves).

The pilot should include the identification, correlation, cross-referencing and reporting of key data points relevant to the monitoring of compliance with tax regulations and debt collection (such as data related to the OTC, Registrar of Companies, Social Insurance and potentially the Immigration department).

APPENDIX Y

ACQUISITION OF LAND LICENCE PROCESS



APPENDIX Z

Appendix B

	ORIGINAL ESTIMATE	ADJUSTED ESTIMATE	7 Months ACTUAL	Variance Actual To Oct 31 VS Full Yr Original Budget	Variance Actual To Oct 31 VS Full Yr Adjusted Budget	Remaining Spend
DESCRIPTION	2018/2019	2018/2019	TO DATE			%
01 NON_MINISTRY DEPARTMENTS						
00001 GOVERNOR AND STAFF	17,500	17,500	17,187	313	313	2%
00002 LEGISLATURE	36,800	36,800	30,163	6,637	6,637	18%
00056 HUMAN RIGHTS COMMISSION	1,000	1,000	0	1,000	1,000	100%
00063 PARLIAMENTARY REGISTRAR	31,000	31,000	5,160	25,840	25,840	83%
00098 INFORMATION COMMISSIONER'S OFF	5,000	5,000	0	5,000	5,000	100%
01 NON_MINISTRY DEPARTMENTS	91,300	91,300	52,510	38,790	38,790	42%
02 CABINET DEPARTMENTS						
00009 CABINET OFFICE	76,000	76,000	105,495	(29,495)	(29,495)	-39%
00013 POST OFFICE	32,000	32,000	18,467	13,533	13,533	42%
00014 STATISTICS	0	0	5,989	(5,989)	(5,989)	0%
00026 HUMAN RESOURCES	0	0	674	(674)	(674)	0%
02 CABINET DEPARTMENTS	108,000	108,000	130,625	(22,625)	(22,625)	-21%
03 LEGAL AFFAIRS						
00087 MINISTRY OF LEGAL AFFAIRS HQ	0	0	20,145	(20,145)	(20,145)	0%
00003 JUDICIAL	34,000	34,000	126,557	(92,557)	(92,557)	-272%
00004 ATTORNEY GENERAL'S CHAMBER	0	0	9,210	(9,210)	(9,210)	0%
00074 DEPARTMENT OF COURT SERVICES	0	0	35,059	(35,059)	(35,059)	0%
00075 DEPT OF PUBLIC PROSECUTIONS	5,000	5,000	0	5,000	5,000	100%
03 LEGAL AFFAIRS	39,000	39,000	190,971	(151,971)	(151,971)	-390%
08 MIN. OF FINANCE						
00010 MINISTRY OF FINANCE HQ	14,000	14,000	2,773	11,227	11,227	80%
00011 ACCOUNTANT GENERAL	69,106	69,106	26,294	42,812	42,812	62%
00028 SOCIAL INSURANCE	5,000	5,000	11,260	(6,260)	(6,260)	-125%
00038 OFFICE OF THE TAX COMMISSIONER	53,000	53,000	118,941	(65,941)	(65,941)	-124%
00039 REGISTRAR OF COMPANIES	0	50,200	34,019	(34,019)	16,181	0%
08 MIN. OF FINANCE	141,106	191,306	193,287	(52,181)	(1,981)	-37%
10 EDUCATION & WORK DEV						
00016 MIN OF EDUCATION & WORK DEV HQ	0	0	2,388	(2,388)	(2,388)	0%
00017 EDUCATION DEPARTMENT	126,487	126,487	456,319	(329,832)	(329,832)	-261%
00018 DEPT OF LIBRARIES AND ARCHIVES	0	0	1,090	(1,090)	(1,090)	0%
10 EDUCATION & WORK DEV	126,487	126,487	459,797	(333,310)	(333,310)	-264%
11 MIN. OF HEALTH						
00021 MINISTRY OF HEALTH HQ	6,000	6,000	10,146	(4,146)	(4,146)	-69%
00022 HEALTH DEPARTMENT	758,779	758,779	588,828	169,951	169,951	22%
11 MIN. OF HEALTH	764,779	764,779	598,974	165,805	165,805	22%
16 TRANSPORT & REG AFFAIRS						
00030 MARINE AND PORTS	1,563,000	1,563,000	1,260,080	302,920	302,920	19%
00034 TRANSPORT CONTROL	31,500	31,500	59,699	(28,199)	(28,199)	-90%
00035 PUBLIC TRANSPORTATION	831,500	831,500	1,513,079	(681,579)	(681,579)	-82%
16 TRANSPORT & REG AFFAIRS	2,426,000	2,426,000	2,832,858	(406,858)	(406,858)	-17%

Appendix B

	ORIGINAL ESTIMATE	ADJUSTED ESTIMATE	7 Months ACTUAL	Variance Actual To Oct 31 VS Full Yr Original Budget	Variance Actual To Oct 31 VS Full Yr Adjusted Budget	Remaining Spend
DESCRIPTION	2018/2019	2018/2019	TO DATE			%
17 PUBLIC WORKS						
00036 PUBLIC WORKS HQ	72,000	72,000	219,162	(147,162)	(152,730)	-204%
00049 LAND VALUATION	0	18,000	12,198	(12,198)	5,802	0%
00068 PARKS	467,666	637,666	533,410	(65,744)	104,256	-14%
00081 PUBLIC LANDS & BUILDINGS	500,000	950,000	921,338	(421,338)	28,662	-84%
00082 WORKS & ENGINEERING	2,199,055	2,199,055	2,004,489	194,566	194,566	9%
17 PUBLIC WORKS	3,238,721	3,876,721	3,690,597	(451,876)	180,556	-14%
22 SOCIAL DEVELOPMENT & SPORT						
00071 MIN OF SOCIAL DEVELOP & SPORT	35,000	35,000	6,604	28,396	28,396	81%
00020 YOUTH, SPORT AND RECREATION	0	0	96,756	(96,756)	(96,756)	0%
00023 CHILD AND FAMILY SERVICES	146,000	146,000	384,079	(238,079)	(238,079)	-163%
00052 COMMUNITY & CULTURAL AFFAIRS	8,000	8,000	7,043	957	957	12%
00088 NATIONAL DRUG CONTROL	50,000	50,000	25,875	24,125	24,125	48%
22 SOCIAL DEVELOPMENT & SPORT	239,000	239,000	520,357	(281,357)	(281,357)	-118%
23 NATIONAL SECURITY						
00083 MINISTRY OF NATIONAL SECURITY	0	0	881	(881)	(881)	0%
00007 POLICE	3,757,497	3,757,497	2,619,229	1,138,268	1,138,268	30%
00012 CUSTOMS	814,290	814,290	557,011	257,279	257,279	32%
00025 DEPARTMENT OF CORRECTIONS	884,841	884,841	2,728,817	(1,843,976)	(1,843,976)	-208%
00043 DEPT OF INFO & DIGITAL TECH	58,000	58,000	96,844	(38,844)	(38,844)	-67%
00045 FIRE SERVICES	680,832	680,832	1,445,317	(764,485)	(764,485)	-112%
23 NATIONAL SECURITY	6,195,460	6,195,460	7,448,099	(1,252,639)	(1,252,639)	-20%
93 HOME AFFAIRS						
00093 MINISTRY OF HOME AFFAIRS HQ	0	0	199	(199)	(199)	0%
00027 DEPARTMENT OF IMMIGRATION	30,000	30,000	66,785	(36,785)	(36,785)	-123%
00029 REGISTRY GENERAL	6,500	6,500	6,468	32	32	0%
00032 PLANNING	0	0	916	(916)	(916)	0%
00079 ENVIRONMENT & NATURAL RESOURCE	55,400	55,400	34,814	20,586	20,586	37%
93 HOME AFFAIRS	91,900	91,900	109,182	(17,282)	(17,282)	-19%
95 ECONOMIC DEV & TOURISM						
00051 DEPARTMENT OF COMMUNICATION	0	0	1,617	(1,617)	(1,617)	0%
95 ECONOMIC DEV & TOURISM	0	0	1,617	(1,617)	(1,617)	0%
TOTALS	13,461,753	14,149,953	16,228,874	(2,767,121)	(2,084,489)	-21%