

## **FISCAL REVIEW**

One-time revenues in 2000-2001 and 2001-2002 substantially improved the Government of the Northwest Territories' (GNWT) fiscal position in these years, allowing the government to anticipate an accumulated cash surplus at the end of 2002-2003. However, as revenues return to historical levels, the GNWT will return to a position where expenditures exceed revenues. Rising costs of current programs and the ongoing need for greater investment in infrastructure and in addressing the costs associated with development mean reexamining fiscal priorities and spending.

### **2001-2002 RESULTS**

Resolution of a dispute with Canada concerning the Formula Financing Grant, increases to the Grant's Gross Expenditure Base and increases in corporate income tax revenues provided the GNWT with \$90 million more in revenues at the end of 2000-2001 than expected in last year's Budget. An expected \$23 million operating surplus for 2000-2001 turned into a surplus of \$118 million.

The GNWT expects to receive \$180 million more in revenues in 2001-2002 than forecast in the 2001-2002 Budget, resulting in a projected operating surplus of \$160 million rather than the balanced budget expected. The main reason for the unexpected surplus is an unanticipated increase in corporate income tax collections.

Operating expenditures were 3 per cent higher (\$22 million) than estimated in the 2001-2002 Budget. Fifty per cent of the supplementary expenditures were for health spending.

Capital investment expenditures are expected to be 34 per cent higher (\$34 million) than projected in the 2001-2002 Budget and \$87 million higher than 2000-2001 actual capital investment expenditures.

### **2002-2003 BUDGET**

#### ***Revenues***

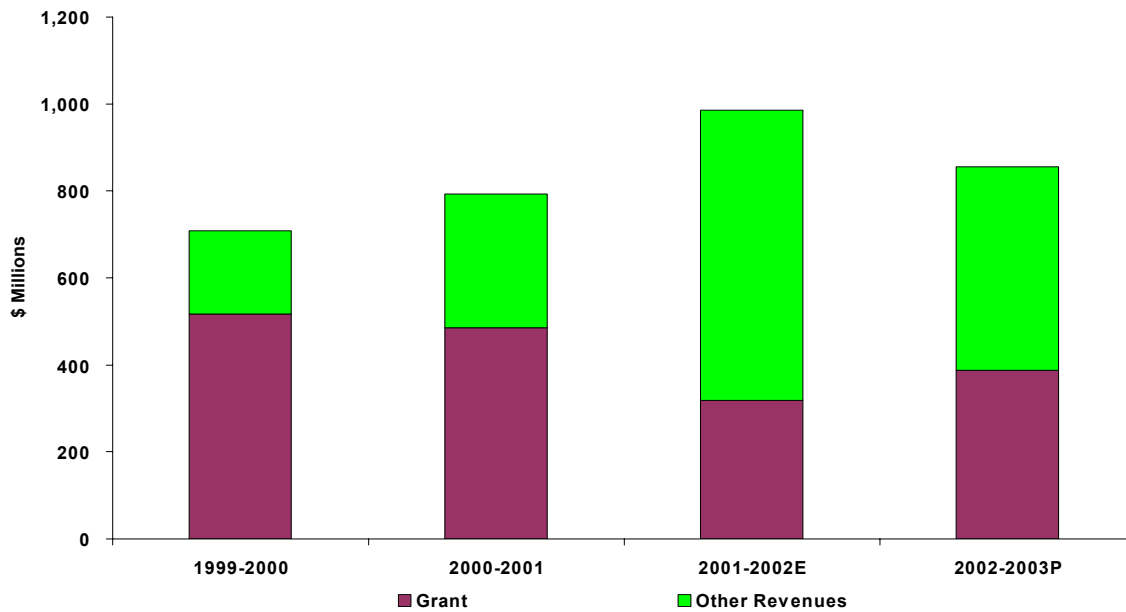
Total 2002-2003 revenues are expected to decrease by \$129 million from the 2001-2002 revised revenue estimate to \$856 million as corporate income tax revenues decline from very high levels in 2001-2002. Total revenues consist of the Formula Financing Grant (46 per cent), other transfers (6 per cent), and own source revenues (48 per cent).

The 2002-2003 Formula Financing Grant is expected to increase \$68 million over 2001-2002. Higher own source revenues, in particular higher corporate income tax revenues, will reduce the Grant's share of total GNWT revenues from its past levels of between 70 and 80 per cent. The Grant will fall by less than the increase in GNWT own source revenues.

The Canada Health and Social Transfer (CHST) is projected to be \$15 million higher in 2002-2003. The CHST is lower in 2001-2002 because of a large repayment of prior year CHST as a result of higher corporate income tax revenues increasing the tax transfer portion of the CHST. Other federal transfers are expected to be \$1 million higher than in 2001-2002.

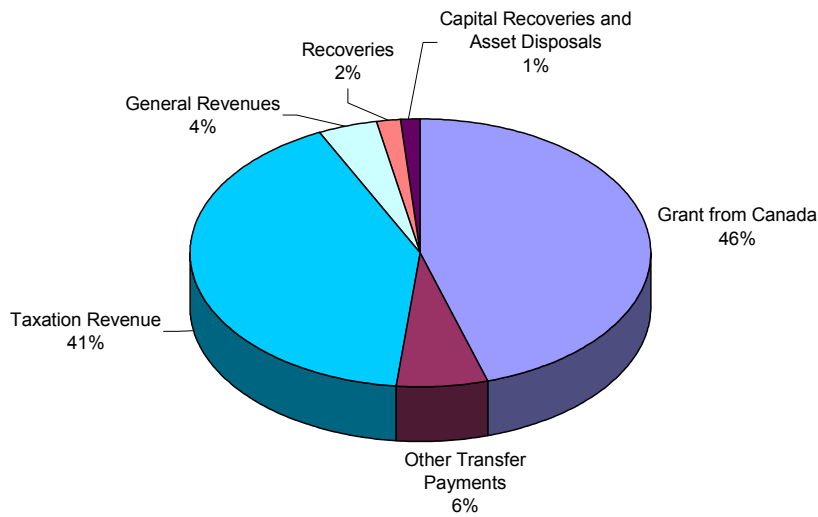
Historically, GNWT own source revenues represent approximately 20 per cent of total revenues. However, higher corporate income tax revenues will raise the share of own source revenues to 48 per cent in 2002-2003. Tax revenues, including liquor profits, will be 43 per cent of total revenues in 2002-2003 and 90 per cent of total own source revenues, up from the historical average of about 70 per cent of total own source revenues.

**Total GNWT Revenues by Source**



E-Estimate  
P-Projected

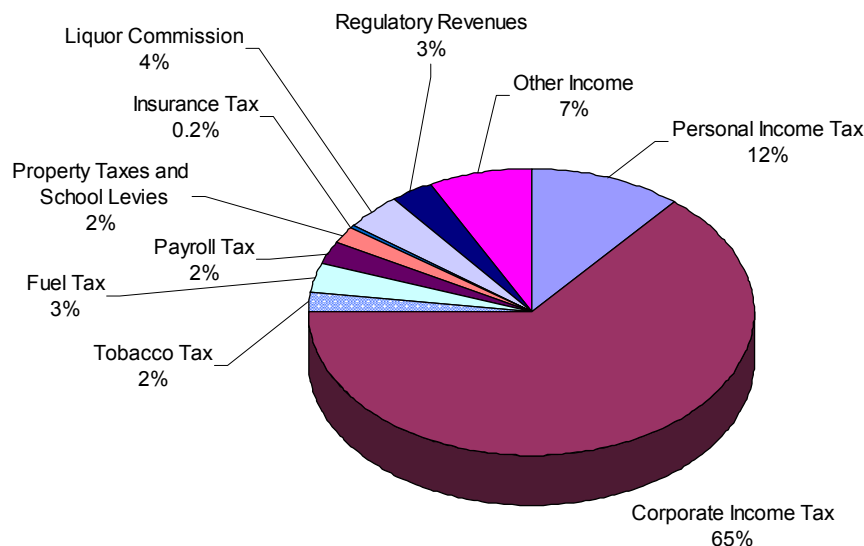
**GNWT Revenues by Source  
2002-2003**



GNWT own source revenues include taxes, liquor profits, regulatory revenues (revenues from fees and licences), rental income, power subsidy recoveries, sales of government assets and sales of goods and services.

A forecast 4 per cent growth in employment income in 2002 will increase the GNWT's personal income tax revenues to \$47 million in 2002-2003. The personal income tax revenue estimate reflects the tax changes announced in this Budget and the higher Cost of Living Tax Credit approved by the Legislative Assembly in 2001. Personal income tax revenue forecasts in both 2001-2002 and 2002-2003 are reduced due to adjustments from prior years.

**GNWT Own Source Revenues  
2002-2003**



Corporate income tax revenues are forecast to decrease by \$219 million, to \$264 million in 2002-2003, from the revised revenue forecast for 2001-2002. These revenues are still higher than historical amounts because the one-time increase in reported corporate taxable income for 2000 is used by the federal government to forecast 2002 corporate income. Much of this revenue will have to be repaid in following years when actual corporate income tax receipts are reported.

2002-2003 tobacco tax revenues are forecast to remain constant as decreasing per capita consumption rates are offset by a larger population.

The fuel tax revenue forecast for 2002-2003 is expected to increase only 1.4 per cent from the 2001-2002 revised estimates because of a slight increase in motor vehicle fuel consumption.

Increases in forecast payroll tax revenues reflect projected increases in employment income.

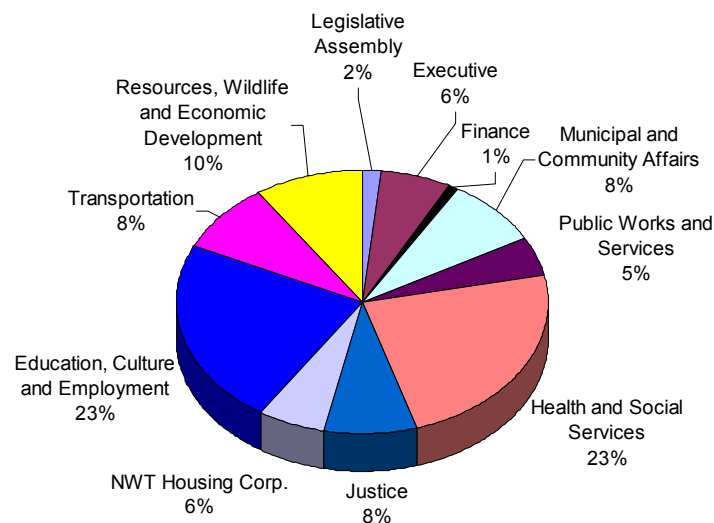
Property tax revenues will be lower than 2001-2002 due to property tax grants in lieu received in 2001-2002 for prior years.

### ***Operating Expenditures***

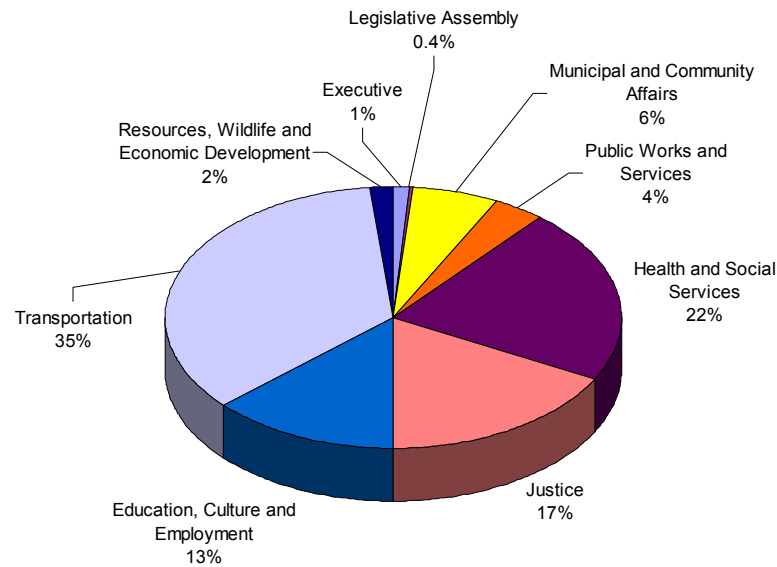
Departmental operating expenditures are projected to be \$64 million higher than budgeted in the 2001-2002 Budget. Over 36 per cent of this increase is due to increased costs of existing programs, particularly in health spending.

Most territorial spending is in the area of social programs: education, health, social services, justice and housing. These programs represent over 60 per cent of the GNWT's annual budget.

### ***Operations Expenditures by Department 2002-2003***



### **Capital Investment Expenditures by Department 2002-2003**



### **Capital Investment Expenditures**

Total capital investment expenditures are expected to decrease 17 per cent from \$132 million in 2001-2002 to \$109 million in 2002-2003. Health, justice, education and transportation make up 88 per cent of 2002-2003 capital investment expenditures.

Total capital investment expenditures for Health and Social Services are projected to be \$24 million, of which \$18 million has been allocated for the Regional Hospital in Inuvik. Justice capital investment expenditures are projected to be \$19 million, of which \$18 million is for the North Slave Correctional Centre. Education, Culture and Employment capital investment expenditures are projected to be \$15 million. These expenditures are distributed among various schools and educational facilities. The two largest capital investment expenditures are for the Aurora College Main Building in Inuvik (\$6.2 million) and the Princess Alexandra School in Hay River (\$2.4 million). Transportation capital investment expenditures are projected to be \$38 million, of which \$33 million is for highway construction, including \$2.5 million to upgrade access roads.

There will be an additional \$13.8 million in capital investment expenditures in the smaller communities of the NWT. Included in this expenditure will be \$4.5 million investment in water treatment and sewage facilities. Other investments include building and upgrading warehouses, storage facilities, workshops, schools, a health centre and housing in various communities.

## MEDIUM TERM OUTLOOK

The GNWT is currently benefiting from several one-time revenue increases resulting from the resolution of a Formula Financing methodology issue and from unanticipated corporate income tax collections. The GNWT has used these one-time revenues to fund new initiatives but also to address the cost pressures of current programs. Consequently, as revenues return to normal, expenditures will exceed revenues, putting the GNWT into a deficit position and increasing the GNWT debt. The surpluses accumulated during the last two fiscal years will be needed to finance these deficits.

Revenues in 2003-2004 are expected to decrease \$67 million from 2002-2003 as the effects of the one-time corporate income tax revenues work through the fiscal system. At the same time, expenditures are projected to increase 4 per cent. The revenue decrease will create a \$118 million operating deficit in 2003-2004, which will fall to \$78 million the following year. These projected deficits will bring GNWT debt close to the authorized borrowing limit of \$300 million by 2004-2005.

### ***Fiscal Framework Operations Summary***

(millions of dollars)

	2000-2001 Actuals	2001-2002 Revised Estimate	2002-2003 Main Estimate	2003-2004 Forecast	2004-2005 Forecast
<b>Total Revenues</b>	883	985	856	789	869
<b>Total Expenditures</b>	(765)	(826)	(868)	(907)	(947)
<b>Operating Surplus (Deficit)</b>	118	159	(12)	(118)	(78)
<b>Opening Accumulated Surplus</b>	556	674	833	821	703
<b>Accumulated Surplus</b>	674	833	821	703	625
<b>Capital Investment Requirements</b>	45	98	109	67	43
<b>Accumulated Cash Surplus (Deficit)</b>	39	363	101	(87)	(167)
<b>Total (Debt)</b>	(138)	223	(39)	(225)	(305)

### ***Revenues***

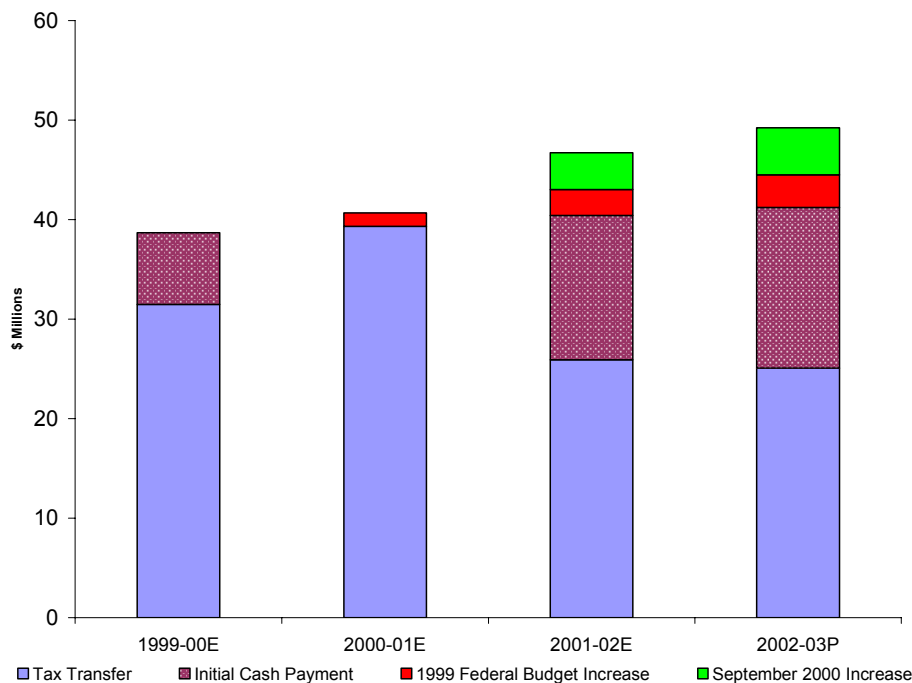
Over the medium term, the major GNWT revenues including personal income tax, tobacco tax, fuel tax, property tax and payroll tax, are expected to grow. Corporate income tax revenue will decrease significantly as the expected over payment in 2002-2003 is paid back in future years. The Grant from Canada will increase dramatically after 2002-2003 because it will not be reduced by the one-time corporate income tax collections. Overall total GNWT revenues are expected to decrease 8 per cent from 2002-2003 to 2003-2004, but return to 2002-2003 levels in 2004-2005.

The one-time 2000 corporate tax revenues received in 2001-2002 will have interesting consequences for the next few years. For example, the one-time increase will be included in the 2000 tax revenue used by Finance Canada to estimate 2002 corporate income tax collections. Much of this revenue will have to be paid back in future years if actual collections for 2002 prove to be lower than the federal estimate. The lower corporate income tax revenue will be partially offset by increased Formula Financing Grant payments in future years.

Corporate income tax also has an effect on the CHST. This transfer is the main federal government funding vehicle to support provincial and territorial health care, post-secondary education and social services. The CHST is delivered in two parts: a cash component and a tax point transfer component.

The unanticipated increase in corporate tax revenues received in 2001-2002 for the 2000 tax year increased the amount of CHST provided as a tax transfer for the prior year's CHST. Therefore, the CHST cash portion for this year was decreased. However, the reduction in CHST results in an increase in the Formula Financing Grant. A decrease or increase in the original CHST cash funding does not change total GNWT revenues, but only changes the funding distribution between the Grant and CHST revenues. Lower CHST cash payments result in a higher Grant and higher CHST cash payments result in a lower Grant. (Additional CHST funding announced in various federal Budgets and agreements is currently excluded from the Grant calculation and actually serves to raise total GNWT revenues.)

**Canada Health and Social Transfer  
NWT Entitlement**



Note: Does not include CHST Trust amounts.  
E-Estimate  
P-Projected

All revenue forecasts involve an element of uncertainty. In a typical year, the Formula Financing Grant from Canada represents 70 to 80 per cent of GNWT revenues. Growth in the Grant depends on a number of variables, including growth in provincial government spending and growth in national GDP. Changes in these variables resulting from stronger or weaker economic growth or changes in provincial fiscal policy will affect NWT Grant forecasts. In addition, the Grant is affected by the NWT population growth

rate relative to the Canadian growth rate. While the NWT population is expected to rebound following the decline experienced in 1998, Statistics Canada estimates still show only modest growth.

Based on current projections, it is expected that ongoing GNWT revenues will not meet the Government's growing expenditure demands.

### ***Expenditure Needs***

In projecting future GNWT expenditure needs, it is necessary to consider the relationship between population, demographics, and inflation. Many factors, including changes in the overall population, changes to the ratio of dependants (those under 18 and over 64) to the working age population, price changes (especially for health care), the government wage bill and capital investment needs have significant effects on projected overall spending levels.

The GNWT faces fiscal challenges that are heightened by the NWT's large land area; small, geographically dispersed population; young and growing population; harsh climate; and underdeveloped infrastructure. These factors are reflected in the GNWT's low revenue raising capability and place stress on its ability to fund public services comparable to the services in other provinces.

The GNWT's goal is to provide public services within its capacity to generate revenues. However, the government is facing a situation where revenue growth will not keep pace with necessary expenditures. The GNWT must find a balance between making expenditures now at the risk of deficits and increasing debt, with the potential for gains in fiscal well-being in the future. Necessary expenditures include those required to meet the needs of NWT residents today and also to invest in the future. For example, investments in training now will allow Northerners to take advantage of future employment opportunities created by resource development. This in turn can mean more tax revenues from NWT residents employed in the higher wage resource sector.

A similar situation exists for capital investment. If the GNWT does not make investments now in such things as highway infrastructure, the NWT is at risk of losing economic development opportunities. A balance must be struck between working towards balanced budgets and investing for the future. The government's fiscal strategy strives to find that balance.

## **INVESTING IN THE FUTURE - GNWT'S FISCAL STRATEGY**

Since the beginning of the Fourteenth Assembly, the GNWT fiscal strategy has not changed. The GNWT has identified a number of priorities in its fiscal strategy.

- ◆ Fiscal Sustainability. The GNWT must withstand expenditure pressures that produce unsustainable spending in comparison to revenue.
- ◆ Reduce dependency on the federal government.
- ◆ Finalize Aboriginal self-government agreements.



- ◆ Achieve transfer of authority over lands and resources to the appropriate territorial and Aboriginal governments.
- ◆ Address social pressures and make appropriate investments in housing, transportation and infrastructure.
- ◆ Achieve balanced investment across regions and in both large and small communities.

Each of these priorities is interconnected and builds the foundation for achieving full economic potential for the NWT. The GNWT's fiscal strategy is based on the assumptions that there will be continued economic development and devolution and resource revenue sharing will occur.

Options available to meet the challenge of matching revenues with expenditures include:

- ◆ reduce program spending through decreased services;
- ◆ reduce program spending through increased program management efficiencies;  
and
- ◆ increase revenues.

The GNWT wants to create an environment that allows NWT residents to take advantage of economic growth and opportunities, to find stable and meaningful employment, to enjoy high quality public services that support healthy lifestyles, and, to enjoy a protected natural environment. Consequently, reducing expenditures through decreased services is not a desirable option. In fact, reducing services can have unknown long-term negative effects for individuals and the NWT community as a whole. Reducing spending on preventative health measures, for example, may mean increased health costs in the future. Reduced early childhood development programs may rob some children of a chance at a proper education, which in turn deprives the NWT of residents contributing to their full potential. However, the GNWT will continue to look for ways to reduce expenditures through increased efficiencies.

It is clear that the GNWT is going to have to find new revenue sources to pay for the investments it wants to make. The difficulty in raising revenues is that there must be a balance between the effects of increased revenue with the burden it places on residents. In addition, tax rates must be considered in relation to tax rates in other provinces in order for the NWT to remain competitive. As other provinces lower taxes, the GNWT faces increased pressure to do the same.

Increased economic activity will generate additional tax revenues as incomes and profits increase. The GNWT intends to continue to make investments that will provide for this economic development. However, the GNWT will balance this investment with the need to maintain its current quality public services as well as with its revenue raising ability.

### Summary of Operations

	(thousands of dollars)			
	2002-2003 Main Estimates	2001-2002 Revised Estimates	2001-2002 Main Estimates	2000-2001 Actuals
<b>REVENUES</b>	<b>856,120</b>	<b>985,367</b>	<b>804,691</b>	<b>883,469</b>
<b>OPERATIONS EXPENSE</b>				
Compensation and Benefits	164,049	161,687	160,062	156,353
Grants and Contributions	417,515	396,460	379,218	360,297
Other Expenses	231,474	225,487	211,744	211,773
Amortization	40,200	38,112	37,801	37,018
<b>TOTAL OPERATIONS EXPENSE TO BE VOTED</b>	<b>853,238</b>	<b>821,746</b>	<b>788,825</b>	<b>765,441</b>
<b>UNADJUSTED OPERATING (DEFICIT) SURPLUS</b>	<b>2,882</b>	<b>163,621</b>	<b>15,866</b>	<b>118,028</b>
Petroleum Products Revolving Fund – Net Expenditure	-	-	-	(268)
<b>ESTIMATED SUPPLEMENTARY REQUIREMENTS</b>				
Regular Operating Requirements	(23,000)	(12,000)	(21,000)	-
Early Childhood Development	-	-	(2,000)	-
<b>ESTIMATED APPROPRIATION LAPSES</b>	8,000	8,000	8,000	-
<b>WORK PERFORMED ON BEHALF OF OTHERS</b>				
Recoveries	45,757	45,782	33,113	40,919
Expenditures	(45,757)	(45,782)	(33,113)	(40,919)
<b>OPERATING SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(12,118)</b>	<b>159,621</b>	<b>866</b>	<b>117,760</b>
<b>ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR</b>	<b>833,246</b>	<b>673,625</b>	<b>863,761</b>	<b>555,865</b>
<b>ACCUMULATED SURPLUS AT THE END OF THE YEAR</b>	<b>821,128</b>	<b>833,246</b>	<b>864,627</b>	<b>673,625</b>

**Summary of Revenues**

(thousands of dollars)

	2002-2003 Main Estimates	2001-2002 Revised Estimates	2001-2002 Main Estimates	2000-2001 Actuals
<b>GRANT FROM CANADA</b>	<b>386,579</b>	<b>318,246</b>	<b>489,518</b>	<b>570,956</b>
<b>TRANSFER PAYMENTS</b>	<b>54,953</b>	<b>40,855</b>	<b>53,142</b>	<b>44,525</b>
<b>TAXATION REVENUE</b>				
Personal Income Tax	46,501	41,837	54,847	60,351
Corporate Income Tax	263,937	483,253	116,112	102,726
Tobacco Tax	10,229	10,230	10,863	9,954
Fuel Tax	13,809	13,613	15,831	10,834
Payroll Tax	10,107	9,832	10,125	9,409
Property Taxes and School Levies	7,278	7,620	8,552	6,993
Insurance Tax	1,700	1,500	1,500	1,688
	<b>353,561</b>	<b>567,885</b>	<b>217,830</b>	<b>201,955</b>
<b>GENERAL REVENUES</b>				
Liquor Commission Net Revenues	17,691	17,111	15,075	16,613
Regulatory Revenues	12,534	11,816	11,876	8,595
Investment Income	4,575	3,712	3,701	7,905
Other General Revenues	187	187	4	1,397
	<b>34,987</b>	<b>32,826</b>	<b>30,656</b>	<b>34,510</b>
<b>OTHER RECOVERIES</b>				
Lease and Accommodations	1,396	1,875	1,197	1,766
Service Recoveries	1,011	1,196	1,884	1,391
Program Recoveries	7,893	7,355	6,976	8,128
Commodity Sales	95	88	141	58
Insurance Proceeds	60	60	60	1,159
Other Miscellaneous Recoveries	506	446	287	127
Recovery of Prior Years' Expenditures	3,000	3,000	3,000	6,141
	<b>13,961</b>	<b>14,020</b>	<b>13,545</b>	<b>18,770</b>
<b>CAPITAL</b>				
Gain on Disposal of Assets	100	100	-	-
Deferred Capital Contributions	11,979	11,435	-	12,753
	<b>12,079</b>	<b>11,535</b>	<b>-</b>	<b>12,753</b>
<b>TOTAL REVENUES</b>	<b>856,120</b>	<b>985,367</b>	<b>804,691</b>	<b>883,469</b>

### **Summary of Operations Expenditures by Department**

(thousands of dollars)

	<b>2002-2003 Main Estimates</b>	<b>2001-2002 Revised Estimates</b>	<b>2001-2002 Main Estimates</b>	<b>2000-2001 Actuals</b>
Legislative Assembly	14,047	11,744	11,680	11,867
Executive	52,022	50,595	42,656	41,835
Finance	7,766	9,419	9,419	7,525
Municipal and Community Affairs	70,750	62,122	61,138	59,392
Public Works and Services	41,324	40,414	39,444	39,128
Health and Social Services	199,882	193,936	182,764	181,723
Justice	69,584	68,144	67,122	62,613
NWT Housing Corporation	48,981	46,856	45,556	45,174
Education, Culture and Employment	195,903	187,517	183,354	170,112
Transportation	71,405	71,870	70,140	68,827
Resources, Wildlife and Economic Development	81,574	79,129	75,552	77,245
<b>TOTAL OPERATIONS EXPENDITURES</b>	<b>853,238</b>	<b>821,746</b>	<b>788,825</b>	<b>765,441</b>

### **Summary of Capital Investment Expenditures by Department**

(thousands of dollars)

	<b>2002-2003 Main Estimates</b>	<b>2001-2002 Revised Estimates</b>	<b>2001-2002 Main Estimates</b>	<b>2000-2001 Actuals</b>
Legislative Assembly	445	-	-	166
Executive	1,105	540	120	789
Finance	-	-	-	-
Municipal and Community Affairs	6,718	8,187	4,169	4,138
Public Works and Services	3,850	6,435	1,935	2,377
Health and Social Services	23,606	33,990	19,912	4,753
Justice	18,846	24,010	20,205	1,397
NWT Housing Corporation	-	-	-	-
Education, Culture and Employment	14,506	12,644	11,484	9,982
Transportation	38,296	44,465	39,139	20,588
Resources, Wildlife and Economic Development	1,925	1,716	1,298	1,052
<b>TOTAL CAPITAL INVESTMENT EXPENDITURES</b>	<b>109,297</b>	<b>131,987</b>	<b>98,262</b>	<b>45,242</b>

### Summary of Changes in Capital Assets and Amortization

(thousands of dollars)

	2002-2003 Main Estimates	2001-2002 Revised Estimates	2001-2002 Main Estimates	2000-2001 Actuals
<b>BEGINNING OF THE YEAR</b>				
Cost of Capital Assets in Service	1,253,406	1,171,088	1,399,522	1,121,966
Accumulated Depreciation	(438,978)	(400,866)	(572,799)	(334,655)
Net Book Value	814,428	770,222	826,723	787,311
<b>CHANGES DURING THE YEAR</b>				
Capital Assets Put into Service	83,944	82,318	55,593	25,182
Disposals	-	-	-	(2,792)
Amortization	(40,200)	(38,112)	(38,144)	(37,017)
<b>NET BOOK VALUE OF CAPITAL ASSETS IN SERVICE AT THE END OF THE YEAR</b>	<b>858,172</b>	<b>814,428</b>	<b>844,172</b>	<b>772,684</b>
Work in Progress on Multi-year Projects	118,436	92,722	75,757	48,768
<b>TOTAL NET BOOK VALUE AND WORK IN PROGRESS</b>	<b>976,608</b>	<b>907,150</b>	<b>919,929</b>	<b>821,452</b>

Notes: Capital assets in service include assets purchased, constructed or acquired by a capital lease. Assets put into service during the year include multi-year projects commenced in prior years and completed in the current year plus those projects started and completed in the current year. Capital asset values shown are based on historical cost, not current or replacement cost.

### Summary of Total Debt and Estimated Borrowing Capacity

(thousands of dollars)

	2002-2003 Main Estimates	2001-2002 Revised Estimates	2001-2002 Main Estimates	2000-2001 Actuals
<b>CASH SURPLUS (DEFICIT) END OF YEAR</b>	<b>100,971</b>	<b>362,652</b>	<b>(75,157)</b>	<b>39,128</b>
<b>GUARANTEED DEBT</b>				
NWT Power Corporation	(88,000)	(88,000)	(124,458)	(124,000)
NWT Energy Corporation	(24,000)	(24,000)	(24,000)	(24,000)
NWT Housing Corporation	(28,000)	(28,000)	(28,000)	(29,000)
<b>TOTAL GUARANTEED DEBT</b>	<b>(140,000)</b>	<b>(140,000)</b>	<b>(176,458)</b>	<b>(177,000)</b>
<b>TOTAL (DEBT) SURPLUS</b>	<b>(39,029)</b>	<b>222,652</b>	<b>(251,615)</b>	<b>(137,872)</b>
<b>AUTHORIZED BORROWING LIMIT</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
<b>AVAILABLE BORROWING CAPACITY</b>	<b>160,000</b>	<b>160,000</b>	<b>48,385</b>	<b>123,000</b>

Notes: Total Net Debt does not include long-term debt of \$17 million (00/01-\$18 million) attributed to capital leases and \$24 million (00/01-\$24 million) of loan guarantees approved for the Secondary Diamond Industry. Any further guarantees of NWT Power Corporation debt may require a review of the GNWT's overall borrowing authority with the Government of Canada.

### Summary of Cash Flows

	(thousands of dollars)			
	2002-2003 Main Estimates	2001-2002 Revised Estimates	2001-2002 Main Estimates	2000-2001 Actuals
<b>CASH PROVIDED BY/USED IN:</b>				
<b>Operating Activities:</b>				
Operating Surplus (Deficit ) for the Year	(12,118)	159,621	866	117,760
Items not Affecting Cash:				
Provision for Doubtful Accounts	-	-	-	3,299
Deferred Capital Contributions	(11,979)	(11,435)	-	(12,753)
Amortization of Tangible Capital Assets	40,200	38,112	37,801	37,018
	<b>16,103</b>	<b>186,298</b>	<b>38,667</b>	<b>145,324</b>
<b>Changes in Non-cash Assets and Liabilities:</b>				
Due from Canada	(185,000)	256,000	(18,000)	(22,224)
Other Current Assets	18,000	2,000	2,000	1,666
Due from Nunavut	-	-	-	35,313
Other Current Liabilities	3,000	6,000	6,000	3,509
Payment of Equal Pay Settlements	-	-	-	(1,416)
Petroleum Products Operations - Net	-	(355)	(388)	-
Deferred Capital Contributions	3,000	3,000	3,053	2,049
	<b>(144,897)</b>	<b>452,943</b>	<b>31,332</b>	<b>164,221</b>
<b>Net Cash Generated By (Used In) Operating Activities</b>				
<b>Investing Activities:</b>				
Capital Investment Expenditures	(109,297)	(131,987)	(98,262)	(44,836)
Estimated Supplementary Requirements	(12,000)	-	(9,000)	-
Estimated Appropriation Lapses Due to Incomplete Capital Projects	12,000	12,000	12,000	-
Proceeds from Disposal of Tangible Capital Assets	-	-	-	2,792
Decrease (Increase) to Designated Cash/Investments	-	(1,000)	-	(6,539)
Student Loan Advances - Net of Repayment	(2,987)	(3,932)	(2,910)	(2,146)
Advances to NWT Development Corporation - Net of Repayment	(3,000)	(3,000)	(3,000)	417
Repayment of Municipal Loans	500	500	435	697
	<b>(114,784)</b>	<b>(127,419)</b>	<b>(100,737)</b>	<b>(49,615)</b>
<b>Net Cash Generated By (Used In) Investing Activities</b>				
<b>Financing Activities:</b>				
Repayment of Long-term Capital Lease Obligations	(2,000)	(2,000)	(1,674)	(1,583)
Collections from Highway Trust Fund - Net	-	-	8,000	-
	<b>(2,000)</b>	<b>(2,000)</b>	<b>6,326</b>	<b>(1,583)</b>
<b>Net Cash Generated By (Used In) Financing Activities</b>				
<b>CASH SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(261,681)</b>	<b>323,524</b>	<b>(63,079)</b>	<b>113,023</b>
<b>OPENING CASH SURPLUS (DEFICIT)</b>	<b>362,652</b>	<b>39,128</b>	<b>(12,078)</b>	<b>(73,895)</b>
<b>CASH SURPLUS (DEFICIT) END OF YEAR</b>	<b>100,971</b>	<b>362,652</b>	<b>(75,157)</b>	<b>39,128</b>