



REPUBLIKA SLOVENIJA  
MINISTRSTVO ZA FINANCE

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# Treasury of the Treasury Single Account

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PEMPAL TCO Workshop in Ljubljana, 24.11.2009



# The role of the Treasury

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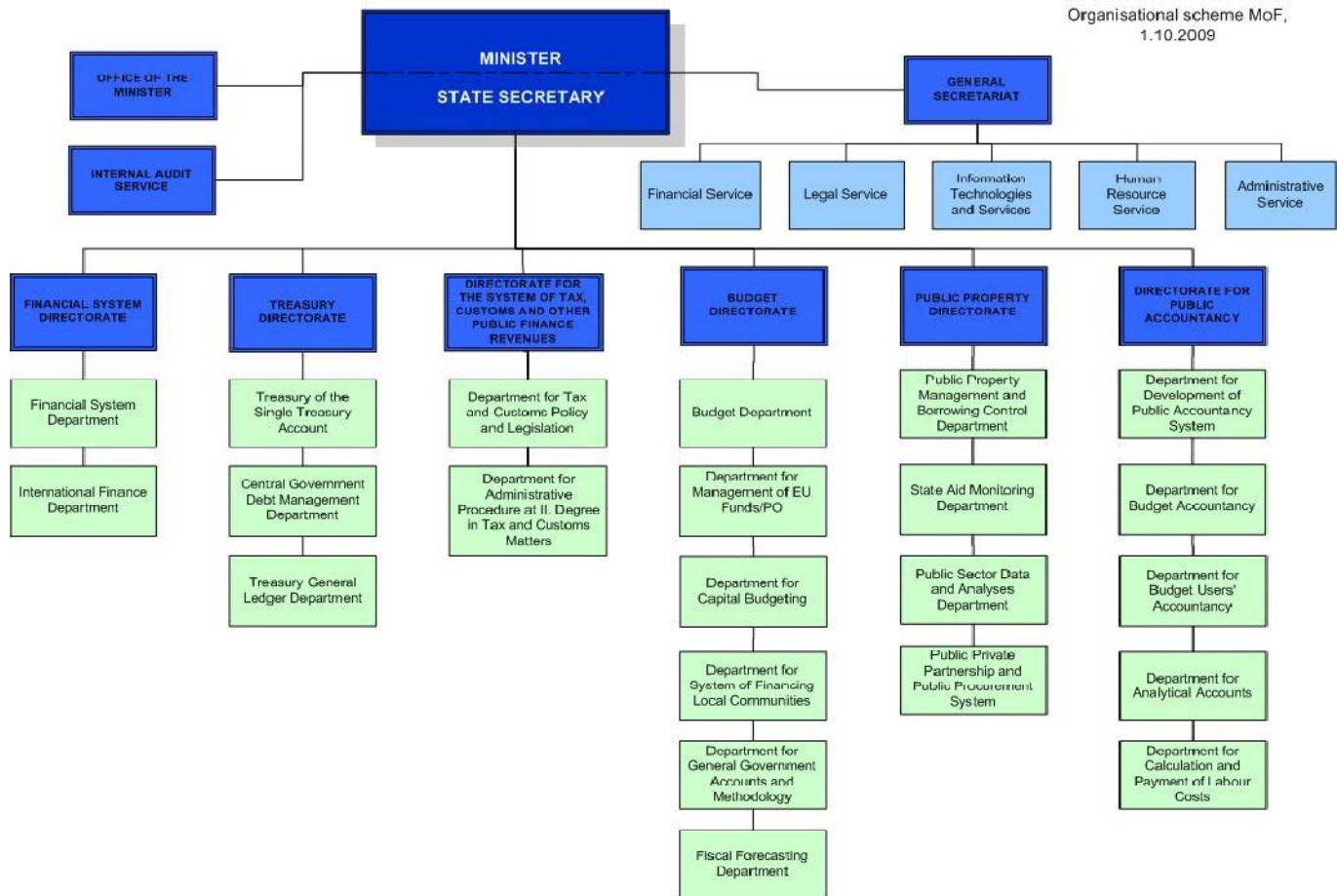
- High quality liquidity management of the state / state finances.
- Placing liquidity surpluses and finding sources for financing liquidity deficits.
- One of the most powerful financial institution on national financial market.
- Partner of national central bank and one of important partners of commercial banks.

# History of Slovene Treasury

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- 1992: informal foundation of the Treasury.
- 1993: special unit of MoF (one unit with legal office and four departments).
- 1996: division in two sectors:
  - Budget liquidity management sector (SULP)
    - Sector for financial management of the state assets (SUFPD) originates from SULP,
  - Debt management sector (SUJD).
- 2002:
  - SULP becomes Treasury of TSA (ZEZRD),
  - new sector: Treasury General Ledger.

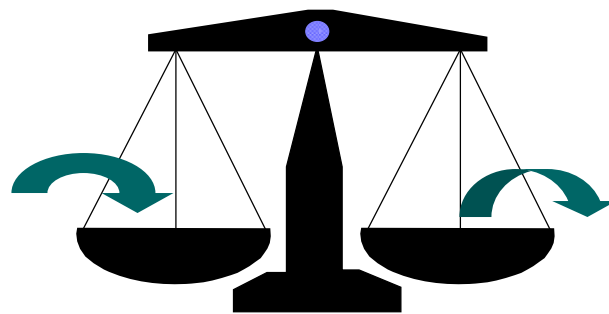
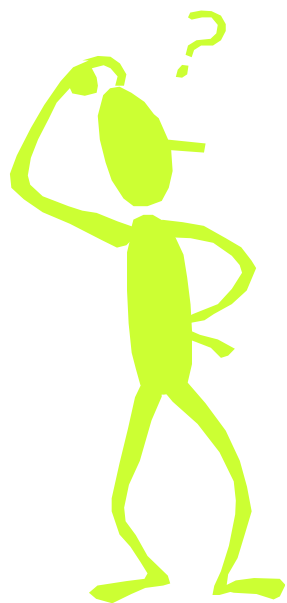
# Field of Treasury



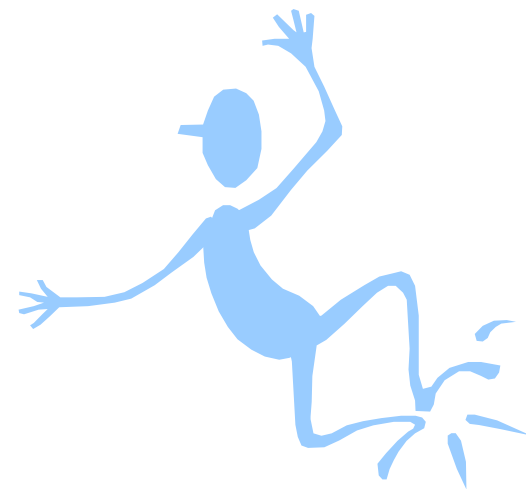


# Budget liquidity management

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actual



forecasting

# Budget liquidity management

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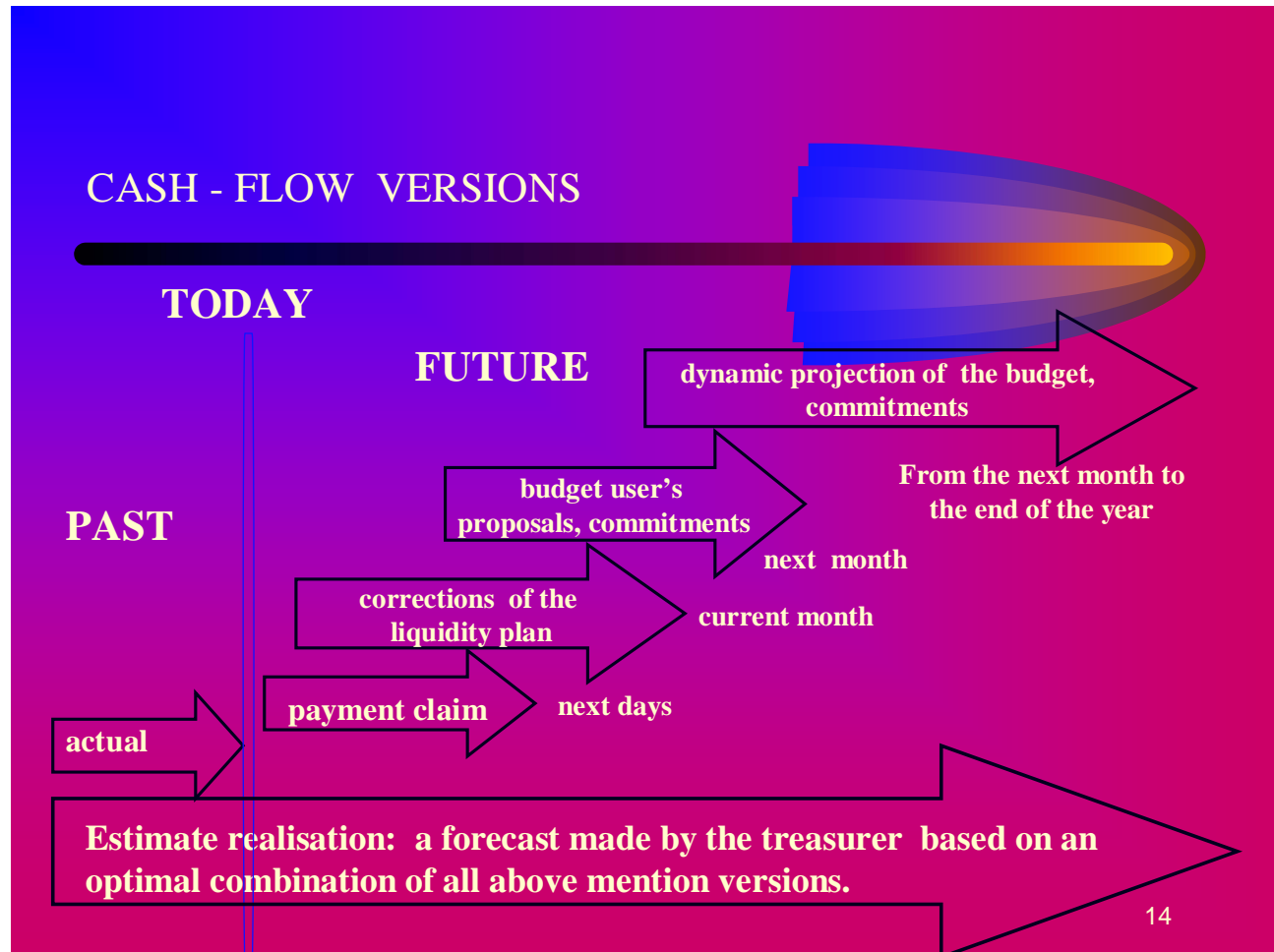
Liquidity management:

- fast driving on a winding road
  - \*\*SPEED?  
(largeness of amounts)
- - \*\*FIELD OF VISION?  
(quality of data)
- - \*\*SECURITY DISTANCE?  
(liquidity reserves)
- - \*\*UNNECESSARY CONSUMPTION?  
(financing costs)





# Budget liquidity management









# Financial Planning

## Kinds of data & participants

- Budget (dynamic projection, quarterly limits on spending)
- Historical information
- Experience and payment rules (important for daily forecasts)
- Data related to debt servicing and other fixed obligations
- Monthly liquidity plan
- Current realization

Budget Department

TSA

Central Government  
Debt Management  
Department

Direct Budget Users

Tax and Custom  
Administration

General Ledger Department  
and Department for Budget  
Accountancy

# Financial Planning

Nadzornik vnosa proračunskih uporabnikov

Datateka

Predlogi	Status	Datum uvoza	Datum potrditve	Datum sprejema	Datum zaključka
MAY07					
1111 PREDSEDNIK REPUBLIKE SLOVENIJE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1211 DRŽAVNI ZBOR	Z	23.4.2007	24.4.2007	25.4.2007	25.4.2007
1212 DRŽAVNI SVET	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1213 DRŽAVNA VOLILNA KOMISIJA	Z	16.4.2007	20.4.2007	23.4.2007	25.4.2007
1214 VARUH ČLOVEKOVIH PRAVIC	Z	16.4.2007	24.4.2007	25.4.2007	25.4.2007
1215 INFORMACIJSKI POOBLAŠČENEC	Z	16.4.2007	20.4.2007	23.4.2007	25.4.2007
1311 USTAVNO SODIŠČE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1312 RAČUNSKO SODIŠČE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1314 DRŽAVNA REVIZIJSKA KOMISIJA	Z	19.4.2007	19.4.2007	19.4.2007	25.4.2007
1315 KOMISIJA ZA PREPREČEVANJE KORUPCIJE	Z	16.4.2007	20.4.2007	23.4.2007	25.4.2007
1411 KABINET PREDSEDNIKA VLADE	Z	16.4.2007	24.4.2007	25.4.2007	25.4.2007
1511 GENERALNI SEKRETARIAT VLADE	Z	23.4.2007	24.4.2007	25.4.2007	25.4.2007
1517 SLUŽBA VLADE ZA ZAKONODAJO	Z	16.4.2007	24.4.2007	25.4.2007	25.4.2007
1522 STATISTIČNI URAD REPUBLIKE SLOVENIJE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1524 SLOVENSKA OBVEŠČEVALNO - VARNOSTNA AGENCIJA	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1528 SLUŽBA VLADE ZA EVROPSKE ZADEVE	Z	24.4.2007	24.4.2007	24.4.2007	25.4.2007
1532 URAD RS ZA MAKROEKONOMSKE ANALIZE IN RAZVOJ	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1536 SLUŽBA VLADE RS ZA LOKALNO SAMOUPRAVO IN REGIONALNO POLITIKO	Z	16.4.2007	20.4.2007	23.4.2007	25.4.2007
1537 URAD VLADE RS ZA SLOVENCE V ZAMEJSTVU IN PO SVETU	Z	25.4.2007		25.4.2007	25.4.2007
1611 MINISTRSTVO ZA FINANCE	Z	23.4.2007	24.4.2007	25.4.2007	25.4.2007
1711 MINISTRSTVO ZA NOTRANJE ZADEVE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1811 MINISTRSTVO ZA ZUNANJE ZADEVE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
1911 MINISTRSTVO ZA OBRAMBO	Z	23.4.2007	23.4.2007	24.4.2007	25.4.2007
2011 MINISTRSTVO ZA PRAVOSODJE	Z	25.4.2007		25.4.2007	25.4.2007
2111 MINISTRSTVO ZA GOSPODARSTVO	Z	23.4.2007	25.4.2007	25.4.2007	25.4.2007
2311 MINISTRSTVO ZA KMETIJSTVO, GOZDARSTVO IN PREHRANO	Z	24.4.2007	25.4.2007	25.4.2007	25.4.2007
2411 MINISTRSTVO ZA PROMET	Z	23.4.2007	24.4.2007	25.4.2007	25.4.2007
2511 MINISTRSTVO ZA OKOLJE IN PROSTOR	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
2611 MINISTRSTVO ZA DELO, DRUŽINO IN SOCIALNE ZADEVE	Z	16.4.2007	24.4.2007	25.4.2007	25.4.2007
2711 MINISTRSTVO ZA ZDRAVJE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
3111 MINISTRSTVO ZA JAVNO UPRAVO	Z	20.4.2007	25.4.2007	25.4.2007	25.4.2007
3211 MINISTRSTVO ZA VISOKO ŠOLSTVO, ZNANOST IN TEHNOLOGIJO	Z	23.4.2007	24.4.2007	24.4.2007	25.4.2007
3311 MINISTRSTVO ZA ŠOLSTVO IN ŠPORT	Z	23.4.2007	23.4.2007	24.4.2007	25.4.2007
3511 MINISTRSTVO ZA KULTURO	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
3911 SLOVENSKA AKADEMIJA ZNANOSTI IN UMETNOSTI	Z	23.4.2007	24.4.2007	24.4.2007	25.4.2007
4111 VRHOVNO SODIŠČE REPUBLIKE SLOVENIJE	Z	24.4.2007	24.4.2007	25.4.2007	25.4.2007
4411 VRHOVNO DRŽAVNO TOŽILSTVO RS	Z	16.4.2007	24.4.2007	24.4.2007	25.4.2007
4514 DRŽAVNO PRAVOBRANILSTVO REPUBLIKE SLOVENIJE	Z	16.4.2007	19.4.2007	19.4.2007	25.4.2007
1523 SLUŽBA VLADE RS ZA RAZVOJ	Z	16.4.2007	24.4.2007	25.4.2007	25.4.2007

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# Budget liquidity management

## Cash Flow Forecasting Process

### 1. Preparation

- **Gathering the information**
  - Latest cash position
  - Forecast all revenues and expenditures
  - Expected borrowing and debt payments
- **Making Cash Flow & Decisions**
  - Project all inflows and outflows
  - Explore financing options
  - Determine financing sources taking cost and timing into consideration
  - Approval by liquidity commission

### 2. Execution

- Confirm commitments of budget users
- Monitor the execution of the plan
- Manage day to day financing operations guided by the plan
- Making daily corrections
- Unplanned events occur – need to make adjustments

### 3. Updating

- Revise the plan
- Analyze deviations between actual and forecast situation
- Information can be used to update the financial plan
- Penalties for budget users – when sum of differences between corrected monthly liquidity plan and actual realization is more than 1/2 million €



# Budget liquidity management

## Penalties for budget users

Penalty is calculated when:

$\Sigma$  of differences between actual and plan  $\geq 500.000$  €

$$\text{Penalty} = \frac{\text{interest rate} \times \Sigma \text{ of differences between actual and plan}}{36000}$$

Interest rate = interest rate for one month liquidity loan within the TSA

Penalty is executed when:

$\Sigma$  of monthly penalties  $\geq 2.500$  €

Skupina PU/neposredni PU: Služba vlade RS za lokalno samoupravo in regionalno politiko

Mesec: FEBRUJAR 2007

Obrestna mera: 3,89%

v EUR

	Likvidnostni načrt (LN)	Korigiran likvidnostni načrt (KLN)	Realizacija	Realiz. - KLN	Kumulativno odstopanje	Izračun stroškov
Čet 1.2.	1.867	1.867	890	-978	-978	0
Pet 2.2.	69	69	10.195	10.127	9.149	0
Sob 3.2.	0	0	0	0	9.149	0
Ned 4.2.	0	0	0	0	9.149	0
Pon 5.2.	381.396	381.396	340.767	-40.629	-31.480	0
Tor 6.2.	918	918	408	-510	-31.990	0
Sre 7.2.	1.839	30.000	8.392	-21.608	-53.598	0
Čet 8.2.	0	0	0	0	-53.598	0
Pet 9.2.	32.323	62.000	43.445	-18.555	-72.153	0
Sob 10.2.	0	0	0	0	-72.153	0
Ned 11.2.	0	0	0	0	-72.153	0
Pon 12.2.	60.880	72.297	7.000	-65.296	-137.449	0
Tor 13.2.	0	0	172	172	-137.277	0
Sre 14.2.	3.757	17.000	17.723	723	-136.555	0
Čet 15.2.	1.548.020	4.000	1.086	-2.914	-139.469	0
Pet 16.2.	27.859	38.650	1.378	-37.272	-176.741	0
Sob 17.2.	0	0	0	0	-176.741	0
Ned 18.2.	0	0	0	0	-176.741	0
Pon 19.2.	0	0	111.646	111.646	-65.095	0
Tor 20.2.	0	965.000	587	-964.413	-1.029.508	111
Sre 21.2.	0	15.000	13.733	-1.267	-1.030.775	111
Čet 22.2.	0	0	391	391	-1.030.385	111
Pet 23.2.	417	417	13.226	12.808	-1.017.576	110
Sob 24.2.	0	0	0	0	-1.017.576	110
Ned 25.2.	0	0	0	0	-1.017.576	110
Pon 26.2.	0	0	1.658	1.658	-1.015.919	110
Tor 27.2.	0	0	406	406	-1.015.512	110
Sre 28.2.	440.687	76.860	473	-76.387	-1.091.899	118
	2.500.033	1.665.475	573.576	-1.091.899		1.001