

BUDGET BASICS

The Government of Saskatchewan Budget includes the financial activity for all organizations within the control of the Government of Saskatchewan, based on standards established by the Public Sector Accounting Board (PSAB) for senior Canadian governments.

The determination of control – the power to govern the financial and operating policies of another organization with the expectation of benefits or risks from the other organization’s activities – requires consideration of the particular circumstances of each case. As a result, Canadian jurisdictions may reach different conclusions about organizations that provide similar services when assessing control for their provincial organizations.

The budget classifies the organizations in the Government Reporting Entity (GRE) as government business enterprises (GBEs), government service organizations (GSOs) or government partnerships.

GBEs are self-sufficient and have the financial and operating authority to sell goods and services to individuals and organizations outside the GRE as their principal activity. These organizations include:

- Municipal Financing Corporation of Saskatchewan
- Saskatchewan Auto Fund
- Saskatchewan Gaming Corporation
- Saskatchewan Government Insurance
- Saskatchewan Liquor and Gaming Authority
- Saskatchewan Power Corporation
- Saskatchewan Telecommunications Holding Company
- Saskatchewan Water Corporation
- SaskEnergy Incorporated
- Workers’ Compensation Board

Government partnerships are contractual relationships between the government and one or more partners outside the GRE where the partners share, on an equitable basis, the risks and benefits of partnership.

All other organizations in the GRE are GSOs. GSOs typically provide public services and receive government grants to sustain their operations. Some GSOs may sell services, but are not self-sufficient and require subsidization. GSOs include government ministries as well as organizations like school boards and regional colleges.

A list of all organizations included in the GRE is provided starting on page 6.

SPENDING AUTHORITY

Spending authority for government ministries is provided by the Legislative Assembly through approval of the Budget Estimates and appropriation acts. Spending authority for other entities is provided through their separate legislation.

ACCOUNTING BASIS

The budget and supporting schedules are consistent with the Canadian public sector accounting standards used in the province's Summary Financial Statements as contained in the Public Accounts – Volume 1. The most recent Public Accounts are available in the Ministry of Finance publications at: <http://www.publications.gov.sk.ca/>

The method of consolidation in the budget is consistent with the policies described in the Public Accounts. The budgeted revenue and expense of GSOs and government partnerships are consolidated after adjusting for significant differences in accounting policies and eliminating significant inter-organizational transactions. For government partnerships, only the government's proportionate share of revenues, expenses and transactions are consolidated. Budgets for GBEs are incorporated as a single amount using the modified equity method, which includes the Government of Saskatchewan's proportionate share of net earnings or losses.

The budget is prepared on the basis of the Government of Saskatchewan's fiscal year, which starts on April 1 and ends on March 31.

Government organizations included in the budget may have different fiscal years and different budget development cycles. As a result, the revenue and expenditure projections included in the summary budget may not always represent an organization's final board-approved budget. Inclusion of preliminary or projected plans for those entities does not lessen or replace the governance responsibility of the individual boards of directors to develop and approve formal budgets.

For those organizations whose fiscal year-end is not March 31, the budget includes plans / budgets for the most recent fiscal year ending before March 31. Adjustments are made for any significant transactions in the period between the organization's fiscal year-end and the Government of Saskatchewan's March 31 year-end.

PENSION LIABILITIES AND EXPENSE

Pensions are budgeted using the accounting policies described in the Public Accounts. The budgeted Schedule of Pension Liabilities includes the pension obligations for all GSOs.

DEBT

Public debt is the amount of money owed to lenders (gross debt) less the amount of money which has been set aside for the repayment of debt (sinking funds).

Public debt is composed of General Debt and GBE specific debt. GSOs issue general debt, either through the General Revenue Fund (the primary operating account of the Government of Saskatchewan) or by borrowing directly on their own behalf.

GBE debt includes both general debt and GBE specific debt, which is incurred primarily for investment in infrastructure and business development initiatives which generate revenue streams to service the debt.

REVENUE

Revenue is classified into five categories: taxation, non-renewable resources, net income from GBEs, other own- source revenue and transfers from the federal government.

- Taxation revenue is primarily collected by the General Revenue Fund (GRF) and includes personal and corporation income tax, provincial sales tax, fuel tax, tobacco tax, property taxes, insurance taxes and capital tax on financial institutions and Crown corporations.
- Non-renewable resources revenue is collected as royalties and freehold taxes on potash, oil and natural gas, uranium, coal and other minerals. It also includes proceeds from Crown land sales and the resource surcharge levied on the value of oil, potash, natural gas, uranium and coal sales.
- Net income from GBEs represents the net income of all GBEs added to the summary financial statements on a modified equity basis.
- Other own-source revenue is made up of fees for services, licenses, proceeds from the sale of goods and services, investment income, premiums collected by insurance entities and other miscellaneous sources of revenue. Most entities generate own-source revenue.
- Transfers from the federal government is comprised primarily of the Canada Health Transfer and the Canada Social Transfer paid to the GRF. The Saskatchewan Crop Insurance Corporation, the Saskatchewan Agriculture Stabilization Fund, the Saskatchewan Housing Corporation, boards of education, the Saskatchewan Health Authority and other smaller entities also receive federal transfers.

EXPENSE

Expense is classified into eleven categories: agriculture, community development, debt charges, economic development, education, environment and natural resources, health, other expense, protection of persons and property, social services and assistance, and transportation.

- Agriculture expenses are made to assist and improve the agriculture and food industry through development activities and direct support to farmers. Development activities include research, education, regulation and investment in the value-added sector. Direct support is provided to farmers through loans, income stabilization programs and insurance programs.
- Community development expenses are made to maintain and develop strong and vibrant communities, including financial assistance to local governments and other authorities, which in turn provide community services. Community development also includes funding directed to specific community services that improve quality of life.
- Debt charges are expenses associated with debt including interest, foreign exchange gains and losses, discounts, premiums, fees and commissions. They also include financing costs related to pension liabilities, obligations under long-term financing arrangements such as public-private partnerships (P3s) and capital lease obligations.
- Economic development expenses are made to strengthen, expand and diversify Saskatchewan's economy. The expenses arise through activities such as research, marketing, product development, financing, financial assistance, technology and infrastructure. Economic development also includes the strategic management of Saskatchewan's non-renewable resources to support future economic activity.
- Education expenses are made to develop and impart knowledge and information to help develop the capacities of reasoning, judgment and creativity. Education includes activities that support and encourage ongoing learning and the acquisition of specialized skills.
- Environment and natural resources expenses are made to protect and improve the quality of the environment and to manage fish, wildlife, forests and lands for the benefit of present and future residents of the province. It also includes costs of prevention and clean-up of environmental hazards.
- Health expenses are made to support, maintain and restore the physical and mental health of Saskatchewan residents. Health services primarily include the education and promotion of healthy lifestyles; prevention and control of infectious diseases; treatment of injuries; emergency response services; and community-based, home-based, long-term, acute and rehabilitative care.

- Other expenses include spending for the constitutional, political and law enactment aspect of government activities; costs associated with the Lieutenant Governor, the Legislative Assembly, election expenses, provincial audits, and intergovernmental and protocol activities. Other expenses also include administrative expenses that do not relate to any other specific category including central accounting and budgeting expenses, and the cost of collecting government revenues. In addition, miscellaneous expenses that are not associated with any other category, including payments under Treaty Land Entitlements and judgment expenses against the Crown.
- Protection of persons and property expenses are made to promote and ensure the security, safety and protection of residents and property; and to promote and maintain public order. This is primarily accomplished through the establishment and enforcement of laws, regulations and rules that are intended to prescribe appropriate and inappropriate actions or behaviour for individuals, groups and organizations. It also includes costs to resolve and reconcile disputes with laws and regulations; and remedial, corrective and punitive actions when there are violations of laws, regulations and rules. Expenses related to disaster assistance are also included.
- Social services and assistance expenses are made to provide financial assistance and services to individuals and families in need because of poverty, abuse, neglect and disability. Financial assistance and services are provided to protect, rehabilitate and assist people in gaining independence. The services include providing homes for troubled youth, counseling, shelters, child protection, adoption, custody and providing life's needs to persons with intellectual disabilities.
- Transportation expenses are made to transport people, goods, services and information; and to construct and maintain highways, roads, bridges, ferry crossings and airstrips. Activities related to governing the usage of the related assets are also included.

GOVERNMENT ORGANIZATIONS

The government reporting entity consists of government service organizations, government business enterprises and government partnerships. The listing below segregates these organizations by theme. The debt charges theme, which includes the interest expense of any government service organization or partnership that budgets interest expense, is not listed below.

Government Service Organizations and Government Partnerships by Theme

Agriculture

Agricultural Credit Corporation of Saskatchewan
Agricultural Implements Compensation Fund
Crop Reinsurance Fund of Saskatchewan
Horned Cattle Fund
Livestock Services Revolving Fund
Ministry of Agriculture
Pastures Revolving Fund
Prairie Agricultural Machinery Institute
Prairie Diagnostic Services Inc. (*government partnership - organization under shared control*)
Saskatchewan Agricultural Stabilization Fund
Saskatchewan Crop Insurance Corporation

Community Development

Community Initiatives Fund
Government House Foundation
Ministry of Central Services ¹
Ministry of Education ¹
Ministry of Government Relations ¹
Ministry of Parks, Culture and Sport ¹
Northern Municipal Trust Account
Provincial Archives of Saskatchewan
Provincial Capital Commission
Saskatchewan Arts Board
Saskatchewan Centre of the Arts Fund
Saskatchewan Heritage Foundation
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation
Saskatchewan Snowmobile Fund
Western Development Museum Fund

Economic Development

Creative Saskatchewan
CIC Asset Management Inc. ¹
CIC Economic Holdco Ltd.
Enterprise Saskatchewan
First Nations and Métis Fund Inc.
Global Transportation Hub Authority
Innovation Saskatchewan
Ministry of Energy and Resources
Ministry of Environment ¹
Ministry of Finance¹
Ministry of Immigration and Career Training ¹
Ministry of Parks, Culture and Sport ¹
Ministry of Trade and Export Development
Saskatchewan Entrepreneurial Fund Joint Venture (*government partnership – 45.5% interest in organization under shared control*)
Saskatchewan Health Research Foundation

Saskatchewan Immigrant Investor Fund Inc.
Saskatchewan Opportunities Corporation
Saskatchewan Research Council
Saskatchewan Technology Fund ²
SaskBuilds Corporation
Tourism Saskatchewan

Education

Battlefords First Nations Joint Board of Education (*government partnership – organization under shared control*)
Boards of Education
Chinook School Division No. 211
Christ the Teacher Roman Catholic Separate School Division No. 212
Conseil des écoles fransaskoises no. 310
Creighton School Division No. 111
Englefeld Protestant Separate School Division No. 132
Good Spirit School Division No. 204
Holy Family Roman Catholic Separate School Division No. 140
Holy Trinity Roman Catholic Separate School Division No. 22
Horizon School Division No. 205
Ile-a-la Crosse School Division No. 112
Light of Christ Roman Catholic Separate School Division No. 16
Living Sky School Division No. 202
Lloydminster Roman Catholic Separate School Division No. 89
Lloydminster School Division No. 99
North East School Division No. 200
Northern Lights School Division No. 113
Northwest School Division No. 203
Prairie South School Division No. 210
Prairie Spirit School Division No. 206
Prairie Valley School Division No. 208
Prince Albert Roman Catholic Separate School Division No. 6
Regina Roman Catholic Separate School Division No. 81
Regina School Division No. 4
Saskatchewan Rivers School Division No. 119
Saskatoon School Division No. 13
South East Cornerstone School Division No. 209
St. Paul's Roman Catholic Separate School Division No. 20
Sun West School Division No. 207
Ministry of Advanced Education ¹
Ministry of Education ¹
Ministry of Immigration and Career Training ¹
North Central Shared Facility (*government partnership – 72.9 per cent interest in asset and 69.7 per cent interest in operations under shared control*)
Regional Colleges
Carlton Trail College
Cumberland College

Great Plains College
North West College
Northlands College
Parkland College
Southeast College
Saskatchewan Apprenticeship and Trade Certification Commission
Saskatchewan Polytechnic
Saskatchewan Professional Teachers Regulatory Board
Saskatchewan Student Aid Fund
Training Completions Fund

Environment and Natural Resources

CIC Asset Management Inc. ¹
Commercial Revolving Fund
Fish and Wildlife Development Fund
Forest Management Funds
Carrier Forest Management Trust
Crown Agricultural Land Forest Fund
Edgewood Forest Renewal Trust Fund
Island Forests Management Fund
L&M Forest Renewal Trust Fund
Meadow Lake OSB Forest Management Trust Fund
Mee-Toos Forest Management Fund Trust
Mistik Forest Management Trust
Park Land Forests Management Fund
Sakaw Forest Renewable Trust Fund
Weyerhaeuser Forest Renewal Trust Fund
Zelensky Bros. Forest Management Fund Trust
Impacted Sites Fund
Institutional Control Monitoring and Maintenance Fund
Institutional Control Unforeseen Events Fund
Ministry of Environment ¹
Ministry of Parks, Culture and Sport ¹
Oil and Gas Orphan Fund
Operator Certification Board
Water Appeal Board
Water Security Agency

Health

eHealth Saskatchewan
Health Quality Council
Health Shared Services Saskatchewan
Ministry of Health
Saskatchewan Association of Health Organizations Inc.
Saskatchewan Cancer Agency
Saskatchewan Health Authority
Saskatchewan Impaired Driver Treatment Centre Board of
Governors

Other

Century Plaza Condominium Corporation
Crown Investments Corporation of Saskatchewan (separate)
Executive Council
Extended Health Care Plan for Certain Other Employees
Extended Health Care Plan for Certain Other Retired Employees
Legislative Assembly and its Officers ¹
Ministry of Central Services ¹
Ministry of Finance ¹
Ministry of Government Relations ¹
Ministry of Justice and Attorney General ¹
Ministry of Parks, Culture and Sport ¹
Public Employees Benefits Agency Revolving Fund
Public Employees Dental Fund
Public Employees Disability Income Fund
Public Employees Group Life Insurance Fund
Public Service Commission
Queen's Printer Revolving Fund
School Division Tax Loss Compensation Fund

Protection of Persons and Property

Correctional Facilities Industries Revolving Fund
Criminal Property Forfeiture Fund
Financial and Consumer Affairs Authority of Saskatchewan
Integrated Justice Services
Law Reform Commission of Saskatchewan
Legislative Assembly and its Officers ¹
Ministry of Corrections and Policing
Ministry of Government Relations ¹
Ministry of Justice and Attorney General ¹
Ministry of Labour Relations and Workplace Safety
Saskatchewan Provincial Safety Agency
Sask911 Account
Victims' Fund

Social Services and Assistance

Ministry of Advanced Education ¹
Ministry of Government Relations ¹
Ministry of Justice and Attorney General ¹
Ministry of Social Services
Saskatchewan Housing Corporation
Saskatchewan Legal Aid Commission

Transportation

Ministry of Government Relations ¹
Ministry of Highways and Infrastructure
Transportation Partnerships Fund

Government Business Enterprises (Modified Equity)

Municipal Financing Corporation of Saskatchewan
Saskatchewan Auto Fund
Saskatchewan Gaming Corporation
Saskatchewan Government Insurance
Saskatchewan Liquor and Gaming Authority
Saskatchewan Power Corporation
Saskatchewan Telecommunications Holding Corporation
Saskatchewan Water Corporation
SaskEnergy Incorporated
Workers' Compensation Board

¹ Activities are allocated across more than one theme.

² Organization established during 2018-19.