



## 2024-25 PERFORMANCE PLAN

The Sask Lotteries Trust Fund for Sport, Culture and Recreation (Trust Fund) was established in 1974 by Sask Sport Inc., pursuant to *The Interprovincial Lotteries Act*, for the purpose of granting funds to eligible, non-profit volunteer organizations in the areas of sport, culture, and recreation. The original Act was replaced by *The Interprovincial Lotteries Act, 1984*, and more recently that has been replaced by *The Lotteries and Gaming Saskatchewan Corporation Act*.

The Trust Fund distributes Sask Lotteries proceeds to eligible sport, culture and recreation organizations in Saskatchewan. These eligible organizations are designated by the Minister of Parks, Culture and Sport based on recommendations from the Lottery Strategic Review Committee through an open and transparent process. Eligible organizations range from provincial sport, culture and recreation groups to Tribal Councils and First Nation Band Councils. Today, there are over 1,200 organizations which receive direct funding support and through them, more than 12,000 affiliated groups receive some form of support.

The lottery-funded system for sport, culture and recreation is delivered to the people of Saskatchewan through three, independent community partners. These "global" organizations - [Sask Sport Inc.](#), [Saskatchewan Parks and Recreation Association Inc. \(SPRA\)](#) and [SaskCulture Inc.](#) - collectively represent hundreds of community organizations and ensure that lottery proceeds benefit every community in the province. The global organizations are responsible for establishing funding criteria for their respective section of the Trust Fund.

Volunteer committees from the sport, culture and recreation communities review all requests made to the Trust Fund. These committees review and make decisions on funding requests from eligible provincial organizations based on funding criteria developed by the three global organizations.

The Trust Fund's focus is to distribute lottery profits in compliance with the "Agreement for the Administration and Distribution of the Sask Lotteries Trust Fund for Sport, Culture and Recreation" and account for those expenditures.

**OBJECTIVE:**

**License directed payments made from the Trust Fund are done in accordance with the Distribution Agreement.**

**GOAL:**

- Make payments to government organizations as prescribed in the Distribution Agreement (Ex. General Revenue Fund, Government of Canada, provincial and federal taxes).

**Performance Measure:**

- Percentage of government payments made as required in the Distribution Agreement.

**GOAL:**

- Make an annual mitigation payment to Sask Sport Distributors Inc. (SSDI) to compensate former lottery ticket distributors, with this payment not exceeding \$1.5 million.

**Performance Measure:**

- Total payment made to SSDI to be granted to former lottery distributors.

**GOAL:**

- Make an annual mitigation payment to the Saskatchewan Association of Agricultural Societies and Exhibitions (SAASE) of \$310,000, as compensation for being a former lottery ticket operator.

**Performance Measure:**

- Total payment to SAASE.

**OBJECTIVE:**

**All Sask Lotteries' net profits are transferred to the Trust Fund.**

**GOAL:**

- Have an external auditor perform an annual audit of the lottery operations.

**Performance Measure:**

- Variance between the audited lottery profit figure and amount received by the Trust Fund.

**OBJECTIVE:**

**Grants are distributed to beneficiaries as recommended by the Trust Fund adjudication committees.**

**GOAL:**

- Allocate funds available to grant to the sport, culture and recreation sections of the Trust Fund at the following percentages - 50% sport, 35% culture and 15% recreation.

**Performance Measure:**

- Percentage of eligible funds allocated to each section of the Trust Fund.

**GOAL:**

- Approve and pay grants only to organizations on the Minister's Eligibility List.

**Performance Measure:**

- Percentage of grants paid to organizations on the Minister's Eligibility List.

**GOAL:**

- Ensure grant payments are supported by the appropriate grant minutes or Board motions from Sask Sport, SaskCulture, SPRA and the Community Funding Committee.

**Performance Measure:**

- The percentage of grant payments supported by the appropriate grant minutes or Board motions from Sask Sport, SaskCulture, SPRA and the Community Funding Committee.

**GOAL:**

- Ensure the Trust Fund has policies and procedures that govern its overall operations.

**Performance Measure:**

- The manuals that govern the operations of the Trust Fund are reviewed on an annual basis.

**OBJECTIVE:**

**Every dollar granted out through the Trust Fund is accounted for, as prescribed by the Distribution Agreement.**

**GOAL:**

- Receive follow-up reports for every grant paid by the Trust Fund on a timely basis, including financial verification of money spent.

**Performance Measure:**

- Number of organizations and communities on the eligibility list that are not eligible to receive funding through the Trust Fund because they have an unresolved follow-up report.

**GOAL:**

- Keep the Trust Fund's administrative expenses below 0.5% of annual net lottery ticket sales.

**Performance Measure:**

- Percentage of the Trust Fund's administrative expenses compared to annual net lottery ticket sales.

**OBJECTIVE:**

**Funding stability is provided to the beneficiary groups.**

**GOAL:**

- Continue to provide two-year funding commitments to eligible organizations.

**Performance Measure:**

- Number of eligible organizations that received a two-year funding commitment.

**GOAL:**

- Maintain a year-end restricted fund balance of at least 20% of the following year's granting projections.

**Performance Measure:**

- Restricted fund balance as a percentage of the following year's granting projections.

## STRATEGIC CONSIDERATIONS

The majority of the revenue the Trust Fund receives is from the profits of the Western Canada Lottery – Saskatchewan Division, with the remainder coming from interest revenue. As the gaming environment is volatile and competitive, the actual proceeds received by the Trust Fund are difficult to predict. As the beneficiary organizations rely on these grants for a significant portion of their programming costs, it is a focus of the Trust Fund to provide stability to organizations and give them protection from a reduction in lottery profits available to grant.

## 2024-25 FINANCIAL OVERVIEW

In 2024-25 granting to beneficiary organizations is projected to be \$65.7 million. Administration expenses as a percentage of net lottery ticket sales from Lotteries are projected to be 0.39%. There are 8.75 full-time equivalent (FTE) positions projected as a staff complement.

<b>2024-25 ESTIMATES</b>	<i>(in thousands of dollars)</i>
<b>REVENUES</b>	
Net Proceeds from Lotteries	\$ 68,645
Fund Investment Income	3,700
	\$ 72,345
<b>EXPENSES</b>	
General Revenue Fund	\$ 6,965
Federal Government	2,772
License Directed Payment	2,500
Mitigation Payments	1,705
Fund Administration Expenses	972
Grants to Beneficiary Organizations	65,679
	\$ 80,593
(Deficit) for the year	\$ (8,248)
FTE Staff Complement	8.75

- Net Proceeds from Lotteries are projected to be down by \$0.5 million from the 2023-2024 revised budget.
- Net payment to the General Revenue Fund is projected to be \$7.0 million based on the terms of the current six-year license (\$9.5 million minus license direct stadium payment).