

Equitable Provincial Charitable Gaming Model

Moved by: City of St. Albert

Seconded by: TBD

WHEREAS charitable organizations provide a valuable service across Alberta and their sustainability is of utmost importance to Alberta society;

WHEREAS the Alberta Gaming and Liquor Commission (AGLC) helps to ensure the sustainability of charitable organizations through revenue generation made possible by volunteer charitable casino events;

WHEREAS an inequitable model for the disbursement of casino revenues to charities currently exists, and the frequency of revenue generating opportunities varies greatly based on location in the province;

WHEREAS previous reviews of the charitable gaming model have articulated the inequities that exist across Alberta, yet decades of inaction have perpetuated these inequities;

WHEREAS the AGLC initiated a charitable gaming review in 2019-2021, and are in the process of completing the review, to examine how the model is meeting the needs of Albertans and to look for opportunities to improve it,

IT IS THEREFORE RESOLVED THAT Alberta Municipalities request that the Ministry of Finance and Alberta Treasury Board, and AGLC expeditiously act on the findings of the Charitable Gaming Review and 2021 What We Heard report by implementing a more equitable provincial charitable gaming model to promote the long-term competitiveness and sustainability of charitable organizations across Alberta.

BACKGROUND:

In 2010, after significant stakeholder consultation, a Provincial MLA Advisory Committee provided a report to the Solicitor General and Minister of Public Security on “Eligible Organizations’ Access to and Distribution of Proceeds from Licensed Casino Events.” The Committee recommended the Alberta Gaming and Liquor Commission (AGLC) consider several changes to casino region boundaries and how proceeds are distributed amongst eligible charities.

Under Alberta’s current model, adopted in 2003, charitable groups that meet certain criteria may be licensed by the AGLC to conduct charity casinos, in coordination with licensed private casino facilities, as a revenue generating opportunity. These revenues are critical for charitable organizations’ sustainability, and ability to provide services to communities across Alberta.

There are 19 casino facilities located throughout Alberta, each of which belongs to a ‘casino region.’ Charities are generally assigned to their nearest casino facility. Only charities located within

Edmonton and Calgary, or who provide province-wide services are permitted to receive a license for a casino event in Edmonton or Calgary casinos.

In the 2010 MLA Advisory Report, it was identified that inequities exist because:

- There is a long waiting period to hold casino events across the province because there are more charitable organizations than there are possible casino events;
- The waiting period for charities to hold casino events varies, from 16 months in Fort McMurray to 34. 5 months in Lethbridge;
- Amongst casino regions, charitable proceeds can vary, from an average high of \$77,486 in the Edmonton region to \$18,011 in the St. Albert/Camrose region.

Despite this report, inequities have continued to persist and grow over the last twelve years. The AGLC has recently reported that the waiting period for charities to hold casino events varies from 17 months in Fort McMurray to 41 months in Camrose. This is a notable increase from the MLA Advisory report.

Alberta Municipalities had a resolution on this topic approved by over 88 per cent of members in 2018, which provided the association’s position throughout the AGLC’s consultation, but the resolution recently expired in 2021. The intent of bringing this forward is to ensure that action is taken by the AGLC and/or Ministry of Finance and Treasury Board to implement a more equitable model, consistent with historical

In 2019, the AGLC surveyed over 3,800 organizations as part of the Charitable Gaming Review. The AGLC also conducted stakeholder engagement in 2021, which engaged 90 charitable organizations and representatives from casinos. Feedback from the engagement included:

- Casino revenues should be pooled provincially and distributed equally to charitable organizations; alternatives included pooling rural casinos revenue, pooling a portion of all revenue and distributing it equally and using a sliding scale to distribute based on need;
- Eliminate/re-draw casino boundaries so that charitable groups can choose any casino in the province; and
- Allow organizations outside the Edmonton and Calgary boundaries to have access to casino events, where revenue generation is greater.

A final report has not been received by Alberta Municipalities and relevant stakeholder groups to outline final recommendations. Given the nature of engagement that has occurred and the initial findings, it is important that recommendations are developed and actioned to benefit charities across Alberta, whose services are more important than ever.

The City of St. Albert believes that given the increased emphasis placed on this topic in recent months, and the AGLC’s communicated intent to provide recommendations on the topic and finalize their review of the charitable gaming model, Alberta Municipalities can help ensure that the AGLC completes this initiative, by adding its voice to this topic. A more equitable model will benefit the charitable organizations that support Alberta’s cities, towns, and villages.

The following table outlines the wait times and revenues each casino-region received in 2019.

| Casino Region | 2019 Wait Time for Key Events (Months) | 2019 Annualized Return (product of wait times and proceeds) |
|----------------|---|---|
| Calgary | 20 | \$42,000 |
| Calgary-Rural | 36 | \$16,000 |
| Camrose | 41 | \$6,100 |
| Edmonton | 23 | \$39,000 |
| Fort McMurray | 17 | \$32,000 |
| Grande Prairie | 31 | \$14,100 |
| Lethbridge | 33 | \$12,000 |
| Medicine Hat | 19 | \$10,000 |
| Red Deer | 36 | \$8,500 |
| St. Albert | 31 | \$8,100 |