

Staff Report

Presented By: Dawn Mittelholtz, Manager, Legislative Services/Clerk
Meeting Date: April 28, 2025
Subject: Proposed Cap for Lottery Licence Fees
Attachment(s): Bruce County Lower Tier Municipalities' Lottery Fees

Recommendation

That Council adopt By-law 44-2025, a By-law to amend By-law 96-2024 to establish Fees and Charges.

Report Summary

As part of the 2024 Division Highlights for Financial Services, a review of certain Fees and Charges was completed and then adopted by By-law 96-2024. This included revised fees for Bingo and Raffle Lottery Licences to match the legislated maximum of 3% of the total prize value. It is recommended that these fees be capped at a maximum of \$450 per licence.

Background/Analysis

In 2024, the Town retained Strategy Corp to conduct a review of certain fees and charges. Among these fees included those charged for Lottery Licences. The fees adopted by the current Fees and Charges By-law established a standard 3% of the total prize value. The previous Fees and Charges By-law 107-2023 included \$63.30 for each Bingo Licence, \$12.66 for each Raffle or Bazaar Licence, and 3% of the total prize value for each Break Open / Nevada Licence.

The percentage approach to lottery licensing meant that larger lottery events pay a higher total fee since they typically require more administrative work on the part of the Town and the net revenue for the charitable or not-for-profit organization would be higher.

Since the implementation of the new fees, the Town has received feedback that, for some of the largest lotteries in Town, the increase in fees have negatively impacted the organizations lotteries and charitable activities.

The intent of lottery licensing fees is to recover the costs of the Town for administering the issuance of lottery licences, monitoring local charitable gaming activities, reviewing reports, and ensuring compliance with the AGCO rules. A simple, lower prize raffle or bazaar requires fewer Town resources, but would certainly cost the Town more than \$12.66 to administer. A larger

raffle or bingo could result in a lottery licence fee over \$1,000.00. These types of lotteries result in several hours of Town time and resources throughout the licence period. That being said, a reasonable cap on lottery licence fees would continue to allow the Town to recoup its costs in most situations.

In reviewing the lottery licensing fees for neighbouring municipalities (attached), a cap of \$450.00 would be reasonable, though the majority of Bruce County lower tier municipalities use a percentage for fee calculation with no cap. Lotteries affected by the cap would be those with a total prize value in excess of \$15,000. At present, only the Port Elgin Legion and Port Elgin Lions Club would have lotteries affected by this cap and would result in a decrease in Town projected revenue of approximately \$2,200.

Linkages

- Strategic Plan Alignment: Pillar 4: Fostering a Vibrant Place to Live and Visit
- Business Plan Alignment: Corporate Services Business as Usual

Financial Impacts/Source of Funding

Estimated loss of revenue of \$2,200 associated with this Amendment to the Fees and Charges By-law will be included in the 2026 Business Plan for Council consideration.

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Reviewed By:	Jim Bundschuh, Director, Corporate Services
Approved By:	Kara Van Myall, Chief Administrative Officer