

FINANCIAL MANAGEMENT COMMITTEE

TO: *MAYOR AND COUNCILLORS*

SUBJECT: SU: GAMING RESERVE (2025)

RECOMMENDATION:

THAT the report titled "SU: Gaming Reserve (2025)" dated February 17, 2026, of the Financial Management Committee meeting, be received for information.

REPORT

The Financial Management Committee, at its meeting held on February 17, 2026, received and adopted the attached report providing Council with a status update (SU) on the Gaming Reserve as of December 31, 2025.

On behalf of the Financial Management
Committee,

Councillor S. Dhaliwal
Chair

Councillor A. Gu
Vice Chair

TO: FINANCIAL MANAGEMENT COMMITTEE (FMC)
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: SU: GAMING RESERVE (2025)
PURPOSE: To provide a status update (SU) on the Gaming Reserve as of December 31, 2025.

RECOMMENDATION

THAT the report titled “SU: Gaming Reserve (2025)” dated February 17, 2026, be received for information.

1.0 POLICY SECTION

Through the Host Financial Assistance Agreement with the Province of BC, the City receives 10% of the net Provincial proceeds from the Grand Villa (Gateway Casino). As per the agreement, local governments may use these proceeds for any purpose within their legal authority. In addition, the agreement also outlines other pertinent information such as the timing of payments and reporting requirements.

2.0 BACKGROUND

The City uses these funds for Council approved initiatives. Council policy has established the criteria for the use of the casino gaming grants received by the City, which are operating expenditures and/or capital projects that serve to protect or improve Burnaby’s environment, including beautification, heritage, public safety, international relations, arts and culture or other projects or programs at the discretion of Council.

In addition, operating expenditures and/or capital project initiatives would satisfy the following criteria:

- a) Ad hoc pilot projects which extend over a specific period of time.
- b) Discrete capital projects that do not require ongoing capital funding requirements.
- c) Gaming funds on hand should be sufficient to complete the proposed project.
- d) The activity and/or project shall have little or no ongoing impact on the operating budget or result in a reliance on the property tax levy.

Council reviews and approves all operating expenditures and capital project initiatives funded by the Gaming Reserve annually prior to inclusion in the Financial Plan.

3.0 GENERAL INFORMATION

Attachment 1 (Gaming Reserve - Summary by Year from 2000 – 2025) provides a summary of the Gaming Reserve grants received and the expenditures made for the entire period of this Provincially funded program.

As per the Host Financial Assistance Agreement, all grants received and expenditures made are to be reported back to the Province on a cash basis. This information is reported to the Province annually with a deadline of March 15.

Expenditures funded from the Gaming Reserve for 2025 totaled \$12,746,136, of which \$9,962,378 are operating expenditures and \$2,783,758 are capital expenditures. Attachment 2 provides the details of these expenditures.

The balance of the Gaming Reserve at the end of 2025 was \$11,667,088. The 2025 ending balance does not include the Q4 payment accrual of \$2,526,254 as it was not received until January 29, 2026. As mentioned in the above paragraph, reporting to the Province is completed on a cash basis.

The following table provides the actual gaming grants received by the City for the past 5 years (2021 to 2025), compared to the budget.

Table 1 – Annual Gaming Grants, Budget vs Actual

Year	Budget (\$)	Actual (\$)
2021	3,250,000	3,273,221
2022	11,500,000	11,459,416
2023	11,500,000	11,624,755
2024	11,500,000	11,048,646
2025	11,500,000	10,087,096

Historically, at the end of each fiscal year, the total annual interest income earned on the balance of the Gaming Reserve is transferred to the Operating Gaming (Interest) Reserve with the intent to use the proceeds to fund priority operating projects/initiatives as determined by Council. However, as per Council’s direction in July 2025, the Gaming and Operating Gaming (Interest) Reserves were amalgamated. Going forward, all interest earned by the Gaming Reserve will remain within the reserve to support eligible capital and operating expenditures as per Council policy and to be approved by Council through the annual budget process. The reserve will continue to be used to complete current ongoing capital gaming projects, and any new initiatives proposed for funding will be presented to Council as part of the City’s yearly budget deliberations. While all potential uses will still require Council approval, the primary intention is to direct the Gaming Reserve toward supporting operating initiatives moving forward.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Not applicable

5.0 FINANCIAL CONSIDERATIONS

Staff will continue to review Gaming reserve activity to ensure sufficiency for future projects and initiatives as part of the upcoming 2027-2031 Financial Plan process. These funding sources continue to allow the City to provide for programs and resources that would otherwise have to be funded from property taxation increases.

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

For

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – Gaming Reserve – Summary by Year from 2000 – 2025

Attachment 2 – 2025 Summary of Gaming Reserve Revenues & Expenditures

REPORT CONTRIBUTORS

This report was prepared by Geoff Mooney, Finance Functional Lead, and reviewed by Wilson Kwan, Director Budgets & Reporting