



April 15, 2003

Log # 213402

To: All Independent Bingo Licensees Receiving Top-Up

Re: Elimination of Top-Up for Bingo Event Licensees

I am writing regarding the phasing out of top-up for independent bingo licensees.

Each year, about 240 community organizations generate approximately \$4.5 million in net revenue through independent bingo licences. About half of those licensees also receive top-up grant funding, totalling about \$2.1 million, from the Province.

In December 1999, independent bingo licensees received a letter from the former BC Gaming Commission indicating that top-up would be eliminated by April 1, 2003. Consistent with that correspondence, top-up funding for those licensees is now being phased out.

Effective April 1, 2003, and for government's 2003/04 fiscal year (April 1, 2003 through March 31, 2004), independent bingo licensees will receive the equivalent of two thirds of the previous year's top-up amount.

Each organization's potential top-up amount will be calculated as two thirds of the amount paid to that organization in government's last (2002/03) fiscal year.

For those organizations that have linked bingo:

- A pro-rated amount of top-up will be paid monthly until the organization's current license expires; and
- If the organization is approved for a subsequent license this fiscal year, those payments will continue until the end of government's fiscal year.

For those organizations that do not have linked bingo:

- A pro-rated amount will be paid at the end of the organization's current license; and
- If the organization is approved for a subsequent license this fiscal year, the remainder will be paid at the end of government's fiscal year.

Using these methods, independent bingo licensees that conduct events for the full year will realize the full potential top-up amount (two thirds of previous year's amount).

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Effective April 1, 2004, top-up for all independent bingo licensees will be eliminated.

This schedule provides one year for each top-up recipient to make appropriate plans.

Recent reductions in the Province's requirements regarding gaming event licensees were conveyed in my April 10, 2003 letter to all gaming event licensees. These changes improved licensee's flexibility and capacity to raise revenue.

Independent bingo licensees may be eligible for a direct access grant. Please check our website at www.pssg.gov.bc.ca/gaming for information about Direct Access Program Grants.

Sincerely,

Original Signed by

Derek Sturko
General Manager

pc: Branch Directors
BC Association for Charitable Gaming