



# Casino Ajax Revenue Facts

**Q1. What is the Town’s share of the Casino Ajax revenues?**

**A1.** Under the agreement that took effect on April 1, 2013, the Town receives a percentage of the total Casino Ajax revenues, based on the following standardized OLG revenue sharing formula:

Revenue Level	Town Share
\$0 to \$65,000,000	5.25%
\$65,000,001 to \$200,000,000	3.00%
\$200,000,001 to \$500,000,000	2.50%
Over \$500,000,000	0.50%

**Q2. How much revenue does the Town receive each year?**

**A2.** The actual amount varies from year to year. In 2019, the Town received \$8,636,000 (Budget - \$7,687,500). Due to Covid19 receipts in 2020 were only \$1,721,000 (Budget \$6,009,000). The Town did transfer the full amount to the reserve in 2020 utilizing the surplus funds.

**Q3. How much revenue has the Town received since the facility opened in March 2006?**

**A3.** The Town has received \$93,822,200 in revenue up to December 31, 2020. Of that total, \$4,073,000 was paid back to OLG, in payment of the Town’s loan for the construction of Alexander’s Crossing.

**Q4. What primary objectives have been established for the use of the revenues?**

- A4.** The following four primary goals and objectives have been approved by Council:
- 1) to keep property taxes low
  - 2) provide immediate and long term social benefits
  - 3) accelerate the completion of key capital projects
  - 4) plan for Town’s long term financial strength and stability



## Casino Ajax Revenue Facts

**Q5. How does Casino Ajax achieve the objective of keeping property taxes low?**

**A5.** This is achieved in a number of ways, including:

- 1) **Lowering Long Term Borrowing** - reduces annual debt payments that are paid for by property taxes. By the end of 2020, the Town reduced its borrowing by \$25.5 million, lowered annual debt payments by just over \$1.1 million, saved interest costs of \$4.1 million and mitigated tax increases. The Town continues to allocate 25% of the Casino Ajax revenue to the Debt Reduction Reserve to offset future debt servicing costs.
- 2) **Reducing Impact of Existing Debt** – in 2020, approximately \$1.1 million was transferred from the Debt Reduction Reserve to offset the property tax impact of existing debt payments, which lowers the tax rate by almost 1.5%.
- 3) **Funding of Grants Program** - the existing grant program was previously funded by property taxes. \$125,000 is earmarked annually for donations to support the Rouge Valley hospital and \$68,900 is provided to support the Durham Community Fund
- 4) **Funding of IMPACT Ajax** – provides funding for program that would otherwise be paid for from property taxes. In 2020 \$108,500 (\$106,600 in 2019) was allocated to support IMPACT Ajax.
- 5) **Funding for Capital Projects** - provides funding for projects that would otherwise be paid for from property taxes.
- 6) **Funding Capital Reserves** - capital reserves receive contributions from Casino Ajax revenues which increases reserves available to fund future asset management costs, without having to increase property taxes.

**Q6. What are some examples of the immediate social benefits?**

**A6.** The Ajax Community Fund was established through the Durham Community Foundation with total contribution of \$625,000 from 2006 to 2020. The Community Fund, which all residents and businesses can contribute to, provides grants to registered charities that are located in or serve Ajax.

Funds from the first Casino Ajax payment in 2006 were used to build a new waterfront washroom and a children's splash pad at the McLean Community Centre. Council's continues to commit \$125,000 annual to the Rouge Valley Hospital which has help fund many major equipment purchases.



## Casino Ajax Revenue Facts

**Q7. How are the Casino Ajax revenues being spent?**

**A7.** The reallocation of the United Way Grant which began in 2013, and the Financial Sustainability Plan ("FSP") that came into effect on January 1, 2014, both revised the use of the Casino Ajax revenues.

**1) Infrastructure Maintenance/Rehabilitation:**

- a. Roads - includes bridges, streetlights, sidewalks, curbs & gutters, etc.
- b. Buildings - includes parking lots, surrounding grounds, etc.
- c. General - playgrounds, trails, sports fields, walkways, parks, etc.

**2) Vehicle/Equipment Replacement:**

- a. Operations & Environmental Services - snow plows, trucks, mowers, etc.
- b. Fire - trucks, hoses, firefighting gear (SCBA, Bunker Gear), Auto Extraction
- c. Recreation - fitness, floor care machines
- d. Information Technology – hardware and software

**3) Development Infrastructure:**

Town's share of new infrastructure required due to growth; roads, trails, parks, playgrounds, community centres, vehicles and equipment, etc.

**4) Strategic Initiatives:**

Traffic Calming, New software, Public Art, Community Action Plan, etc.

**5) Debt Reduction:**

To reduce long term borrowing and offset the impact of existing debt payments

**6) Grants and IMPACT Ajax:**

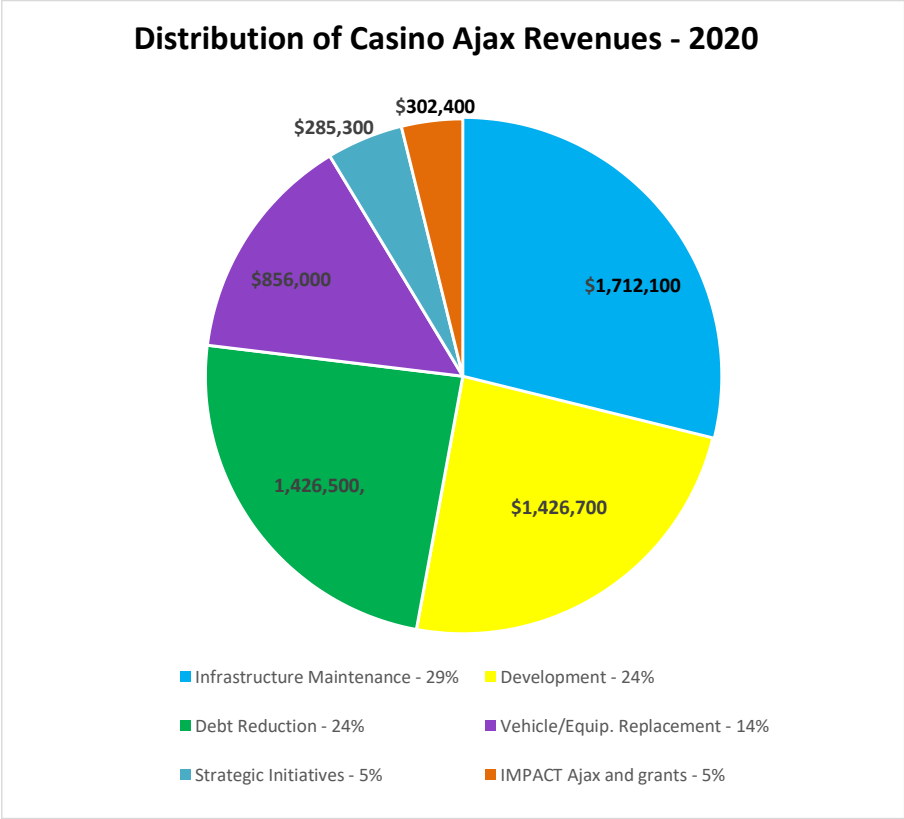
- a. Grants - a "grandfathered" program, is now limited to the annual grant provided to the Rouge Valley Hospital
- b. IMPACT Ajax - Community based programs focusing on child/youth engagement, neighbourhood development and other groups identified in the Town's Diversity and Community Engagement Plan (e.g. seniors, low income, cultural groups, LGBT, etc.)
- c. Durham Community Fund – the Town made a contribution of \$64,000 in 2020 (\$64,700 in 2019).



## Casino Ajax Revenue Facts

**Q8.** How are the revenues distributed on an annual basis?

**A8.** The 2020 budgeted Casino Ajax revenues of \$6,009,000 are allocated as follows:

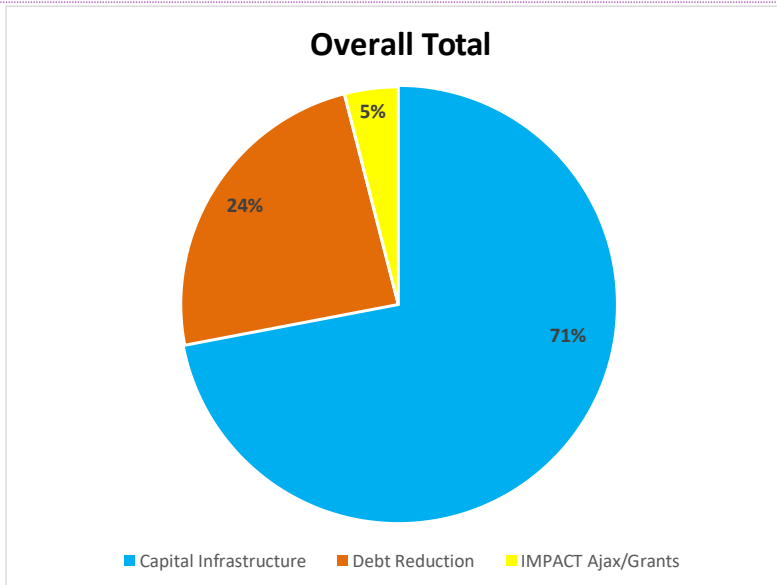




## Casino Ajax Revenue FACTS

**Town's Use of Casino Ajax Funds:** With the introduction of the Financial Sustainability Plan in 2014, the allocation of the Casino Ajax revenue to specific capital reserves was updated. After funding grandfathered grants and IMPACT Ajax, the balance of Casino Ajax revenue (approximately 95%) is currently being allocated as follows:

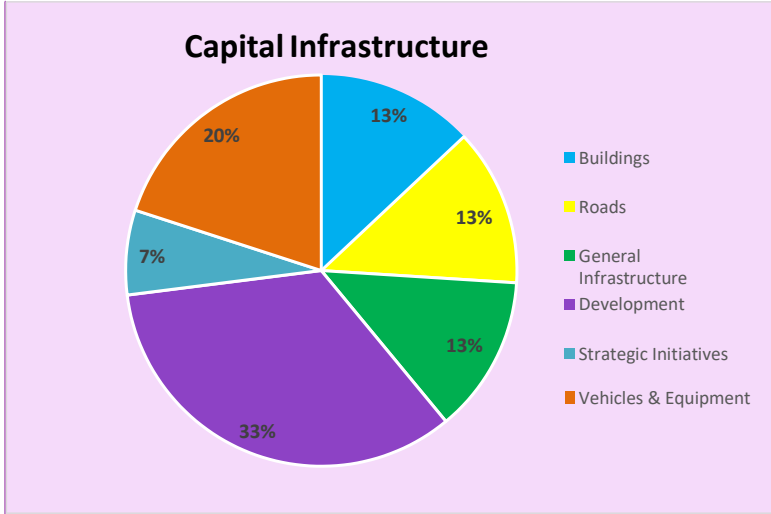
- 1) Capital Infrastructure:  
Used for the construction of new infrastructure as well as the maintenance / rehabilitation / replacement of existing roads, facilities, vehicle and equipment, etc.
- 2) Debt Reduction:  
Used for offset long term borrowing for construction of new building or expansion or major repurposing of existing buildings. Uses include Operations Centre, Fire Headquarters and Audley Recreation Centre phases 1 and 2 debt.



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## Casino Ajax Revenue FACTS



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