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Proudly Serving Charitable Gambling Organizations Throughout Minnesota

Thank You!!!

On behalf of the Allied Charities Of Minnesota Board Of Directors I would like to thank all the attendees of The 20th Annual Minnesota Lawful Gambling Convention & Expo held in Rochester, MN on November 18-19-20, 2010. *Your participation led to another very successful Convention & Expo and we appreciate your support.* A special thanks to our 38 Exhibitors.

FYI, The 21st Annual Minnesota Lawful Gambling Convention & Expo will be held at the St. Cloud Civic Center in St. Cloud, MN on November 17-18-19, 2010.

Happy Holidays,

King Wilson

Post-Bulletin

IF IT MATTERS TO YOU, IT MATTERS TO US

GAMBLING

A crossroads for charitable gambling

Conventioners look to electronics for boost

By Ken Hanson

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Unless the Minnesota Legislature allows for changes, charitable gambling here might soon be cashing in its chips.

That's the message from Allied Charities of Minnesota officials attending the 20th annual Minnesota Lawful Gambling Convention & Expo at Mayo Civic Center.

"I think we're at a crossroads," said King Wilson, executive director of Allied Charities of Minnesota, a trade association which represents licensed lawful gambling organizations.

Charitable gambling is still providing millions of dollars to community needs, Wilson said, "but with the revenue decline, it's gotten to a point where many organizations are struggling and asking, 'Can we stay in this business?'" Many organizations have

dropped gambling.

Gross receipts from charitable gambling last year in Minnesota fell below the \$1 billion mark for the first time since 1968. Wilson said the economy, the state's indoor smoking ban, and the change in the legal blood-alcohol limit to 0.08 percent as major reasons.

Higher taxes also have taken a bite, Wilson said. In 1989, organizations made \$101 million in charitable donations; the figure has steadily declined since then, landing at \$43 million last year. He points to higher taxation as one of the causes.

In Rochester, 10 organizations conduct charitable gambling. Among them are American Legion and VFW posts, fraternal organizations, the Senior Center, the Rochester Police Benevolent Association, and the Rochester Youth Hockey Association. They fund projects ranging from hockey rinks to nursing scholarships.

And the demand for funding from nonprofits, including organizations the conduct charitable gambling, has increased in recent years as a

result of government funding cuts at various levels.

"It's creating holes for needs that are out there in the community," Wilson said.

A new wager

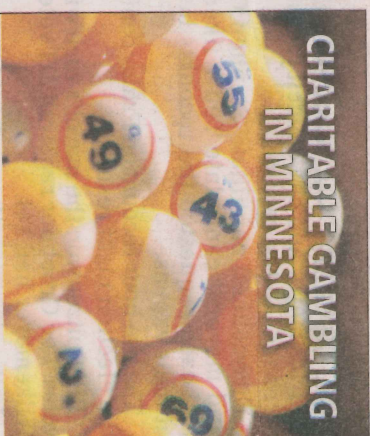
Wilson and Allied Charities Board Member Chuck Kruger of Rochester said that one way decreased revenues can be stemmed is by attracting younger generations.

The pull-tab is by far charitable gambling's biggest draw, accounting for more than 90 percent of revenues. But the pull-tabs are site-based, and made of paper.

Wilson and Kruger would like to see electronically linked games, which would be more attractive to younger generations, and, also would increase the size of jackpots by involving multiple sites, similar to lottery games such as Powerball.

"We would like to bring those games into the 21st century and basically modernize them," Wilson said.

Page A3: A drop in gambling revenue



YEAR	GROSS RECEIPTS
2009	\$998,555,000
2008	\$1,070,311,000
2007	\$1,224,462,000
2006	\$1,288,115,000
2005	\$1,328,672,000
2004	\$1,402,373,000
2003	\$1,418,250,000
2002	\$1,427,550,000
2001	\$1,425,527,000
2000	\$1,477,919,000

Source: Allied Charities of Minnesota

Jenny Thompson of American Games Inc. describes features of a pull-tab machine to Steve Heim of Grand Rapids during the Minnesota Lawful Gambling Convention and Expo on Thursday at the Mayo Civic Center.

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Rochester groups see drop in gambling revenue

By Mike Klein
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At least five Rochester groups reported less revenue from charitable gambling than they'd reported four years ago, according to reports from the Minnesota Gambling Control Board.

Among them were two youth hockey associations.

The Minnesota Lawful Gambling convention is in Rochester this weekend, and among its topics is addressing a drop in revenue.

Here's a look at the gross receipts from charitable gambling, with net receipts in parentheses, of several Rochester groups. The first numbers are from July 1, 2008 to June 30, 2009, and the second are from July 1, 2004, to June 30, 2005.

Groups that saw increases

American Legion Post 92
• 2008-09: \$1.97 million (\$370,383)

• 2004-05 \$1.62 million (\$263,812)

Eagles Aerie 2228
• 2008-09: \$866,729 (\$178,745)

• 2004-05: \$729,598 (\$134,190)

Police Benevolent Association of Rochester

• 2008-09: \$141,692 (\$30,542)

• 2004-05: \$94,439 (\$19,024)

Rochester Amateur Sports Commission

• 2008-09: \$819,775

(\$161,230)

• 2004-05: \$50,897 (10,773)

Voiture 327 40/8

2008-09: \$783,450 (\$121,185)

2004-05: \$458,574 (\$73,514)

Decreases

Olmsted County Hockey Association

• 2008-09 \$1.41 million (\$325,934)

• 2004-05 \$2.07 million, (\$462,618)

Rochester Juvenile Hockey Association

• 2008-09: \$1.66 million (\$393,912)

• 2004-05: \$3.24 million, (\$722,546)

Elks Lodge 1091

• 2008-09: \$315,042 (\$55,652)

• 2004-05: \$906,492 (\$201,532)

Rochester Senior Center Foundation

• 2008-09: \$1.49 million (\$500,596)

(*Flamingo Bingo, formerly known as the Lourdes Foundation's Circus World Bingo, was sold to Rochester Senior Center in January 2007.*)

• 2004-05: Lourdes Foundation: \$2 million (\$666,285)

VFW Post 1215

• 2008-09: \$1.6 million (\$305,557)

• 2004-05: \$2.15 million, (\$433,862)