

# 2007 Annual Report



*Produced by the Nebraska Department of Revenue, Charitable Gaming Division.*

*January 2008*



## Charitable Gaming proceeds benefit people across Nebraska!



On behalf of the staff of the Charitable Gaming Division, it is our pleasure to present the 2007 Annual Report. This report, which is submitted to the Governor, Legislature, Auditor of Public Accounts, and Attorney General, in accordance with Neb. Rev. Stat. §9-1,101(1), summarizes tax revenues received from charitable gaming activities in Nebraska, as well as the expenses incurred in the administration, enforcement, and other activities relating to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, and the Nebraska Pickle Card Lottery Act.

Total dollars wagered on charitable gaming activities for 2006-07 were \$256,072,431, which is 2.1 percent more than the previous fiscal year, when \$250,768,946 was wagered. Although there was an overall increase in wagering on charitable gaming activities, bingo gross receipts and pickle card gross proceeds continued to decline in 2006-07. Pickle card gross proceeds were 76.5 percent less than 1993-94, when the highest amount was wagered on pickle cards (\$177,359,919). Total tax revenue for charitable gaming activities in 2006-07 was \$5,428,148, which was 1.4 percent more than 2005-06. In 2006-07, county/city lottery (keno) accounted for 76.6 percent of the total dollars wagered on charitable gaming and 72.3 percent of the total tax revenue realized from charitable gaming activities.

During the latter part of the fiscal year, the Charitable Gaming Division and the Nebraska Lottery underwent a reorganization. After nearly 15 years operating as separate areas of the Department of Revenue, the two divisions have been merged into a single business unit under a single administrator. As divisions of the Nebraska Department of Revenue, the Charitable Gaming Division and the Nebraska Lottery represent a different set of operating circumstances than those of most aspects of the Department. However, both units share some functional similarities as they relate to gaming, retail outlets, and oversight of product manufacturing and distribution.

In keeping with Governor Dave Heineman's emphasis on increasing government efficiency, the relevant functionalities of the two divisions were identified and merger plans drawn up. The merger of the Charitable Gaming and Nebraska Lottery divisions has resulted in personnel efficiencies through reduction in force and position reassignments. The services of both operations will remain essentially the same, but efficiencies will be realized in shared support resources. Additionally, over time, there may be opportunities for enhanced service delivery. In order to further that merger, the combined operations moved into a new office setting at 1800 "O" Street (Suite 101) in Lincoln, Nebraska. The new site will offer more accessibility to the public and afford greater organizational efficiencies for the merged divisions.

A handwritten signature in black ink that reads "Douglas A. Ewald".

**Douglas A. Ewald**  
Tax Commissioner

A handwritten signature in black ink that reads "James M. Haynes".

**James M. Haynes**  
Director, Lottery & Charitable Gaming Division



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# Year in Review

## Overview of Wagering Activity

There was a 2.1 percent increase in the total dollar amount wagered on charitable gaming activities during 2006-07 compared to the previous fiscal year. Overall, \$256,072,431 was wagered on bingo, pickle cards, lottery/raffle and county/city lottery for the annual period ending June 30, 2007, as compared to \$250,768,946 in 2005-06.

**Bingo** gross receipts for the year were \$12,179,641, which was 13.3 percent less than the previous fiscal year, when \$14,051,926 was wagered on bingo. There was also a reduction in the reported number of bingo players on an annual basis, from 555,905 for 2005-06 to 477,043 for the most recent fiscal year.

**Pickle card** gross proceeds for the year were \$41,620,943, which represents an overall decrease of 9.4 percent as compared to the previous fiscal year, when pickle card gross proceeds were \$45,943,737. The total number of pickle card units sold decreased from 23,152 to 20,666.

**Lottery and raffle** gross proceeds for the year were \$6,061,004, which was 11.6 percent more than the previous fiscal year, when \$5,432,488 was wagered on lotteries and raffles.

**County/city lottery (keno)** gross proceeds for 2006-07 were \$196,210,843, which was 5.9 percent more than the previous fiscal year, when \$185,340,795 was wagered.

## Legislation

LB638 was enacted during the 2007 Legislative Session and became effective September 1, 2007. LB638 was introduced by the General Affairs Committee on behalf of the Department of Revenue and did the following:

1. Repealed several obsolete provisions of the various gaming acts relating to annual licensing requirements. In 2000, LB1086 was enacted by the Nebraska Legislature, which provided for the biennial licensing of bingo, pickle card, and lottery/raffle activities. The staggered implementation of biennial licensing was completed in 2002; however, the various statutes relating to licensing still included references to annual licenses and corresponding annual license fees.
2. Repealed the \$10 annual local bingo permit required by section 9-236 of the Nebraska Bingo Act.
3. Amended section 9-241.03 of the Nebraska Bingo Act, which limited the use of a premises to two times per week for regular bingo occasions, and provided a means whereby a licensed organization or commercial lessor may request authorization from the Department to exceed the limitations on the use of a premises for bingo when it is cost advantageous for multiple nonprofit organizations to use the same premises. The use of the premises is still restricted to not more than one bingo occasion per calendar day regardless of the number of licensed organizations using the premises for bingo. The licensed organization's limit of 10 regular bingo occasions per month is also retained.
4. Amended sections 9-1,104(4) and 77-366 and authorized Department of Revenue investigators to perform certain investigative and enforcement activities relating to illegal gambling devices in Nebraska. Authority is limited to investigating possession of a gambling device, notifying local law enforcement officials, and reporting suspected violations to the county attorney for possible criminal prosecution.

LB64 was enacted by the Nebraska Legislature to repeal a tax and fee on certain gaming activity adopted by Initiative 419 in 2004. Initiative 419 was one of several initiatives related to casino gambling the state's citizens had the opportunity to vote on in the 2004 General Election. Initiative 419 was the only gaming measure to be approved and authorized a gaming fee and tax on casino gambling. Since the other initiatives to authorize casino gambling in Nebraska failed, the tax and fee authorized in Initiative 419 was meaningless.

## Administration

As noted previously in this report, the Charitable Gaming Division and the Nebraska Lottery underwent a reorganization during the latter part of fiscal year 2006-07. The licensing and policy activities relating to charitable gaming have been incorporated into the Legal, Policy, and Licensing Section of the merged unit. Financial reporting, inspections, and investigative activities are now the responsibility of the Financial Compliance and Review Section. The audit staff previously assigned to the Charitable Gaming Division was reassigned to the Department's Audit Division. These employees will continue to perform gaming-related audits as needed; however, they also will be available to perform other audit-related activities for the Department.

## Legal, Policy, and Licensing

**Legal** is responsible for providing legal counsel in handling cases involving gaming license application denials, license suspensions, cancellations and revocations, and imposition of administrative fines. Additional activities include evaluating incident reports and reviewing audit findings to determine the necessity of administrative sanctions; performing legal research, bill and rule drafting, preparing legal opinions and correspondence, devising and revising forms, and providing support to county attorneys and the Attorney General's office in gaming-related enforcement.

**Policy** is responsible for the implementation of legislation enacted by the Nebraska Legislature relative to charitable gaming activities, identification of needed legislative changes in the charitable gaming areas which it regulates, recommendation and drafting of proposed legislation relative to charitable gaming, promulgation of administrative regulations and revenue rulings to clarify and supplement statutory provisions, development and publication of information guides, and for the rendering of day-to-day opinions and interpretations of charitable gaming laws and regulations.

Licensing and Policy are in the process of developing a Request for Proposals for a commercial-off-the-shelf (COTS) browser-based software application which would replace the existing FoxPro license database and processing system. Product demonstrations have been conducted with several vendors which offer this type of office solution for a government regulatory environment.

Lottery and raffle inquiries and Texas Hold'em fund raiser inquiries continue to dominate the day-to-day incoming correspondence received by the Policy staff.

**Licensing** is responsible for the licensing of individuals, businesses, nonprofit organizations, counties, cities, and villages to conduct charitable gaming activities in Nebraska. The number of licenses issued by type is reflected on page 13 of this report, which includes a comparison to the prior reporting period.

During the reporting period, several administrative actions were initiated and/or resolved involving charitable gaming license applicants and licensees. Activities for the reporting period were as follows:

#### Administrative Orders Issued:

License Application Denial	3
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#### Administrative Actions Initiated and Pending:

License Application Denial	12
License Revocation	1

#### Administrative Actions Initiated and Resolved without an Order:

License Application Denial and License Suspension, Cancellation, Revocation	
Rescinded*	41
Resolved by Operation of Law**	58
Resolved by Stipulation, Suspension and/or Fine***	25
Administrative Fine	
Waiver of Hearing and Payment of Fine***	1

#### Temporary Licenses Granted:

Temporary licenses were granted by the State Tax Commissioner to applicants where the Department sought to deny a license application in order to protect the rights of the parties during the pendency of any administrative or court proceedings. As of the close of the annual reporting period, the following temporary licenses and authorizations had been granted:

Class I Bingo	1
Class I Lottery by the Sale of Pickle Cards	1
County/City Lottery Sales Outlet Location	8
County/City Lottery Worker	29

\* License application denials were rescinded for a number of reasons, including the applicant withdrew the application and the payment of delinquent taxes in instances when the license application denial was based upon nonpayment of taxes.

\*\* Resolution by operation of law occurs when a license application denial becomes final because a license applicant does not respond to a Notice of Intent to Deny within the 30-day time period allowed to request an administrative hearing.

\*\*\* Total amount collected \$150.00. Monies collected from the administrative fines levied are deposited by the State Treasurer into the permanent school fund.

**Financial Compliance and Review** is responsible for the financial compliance review of nonprofit organizations conducting bingo, pickle card, and lottery/raffle activities, as well as counties, cities, and villages conducting county/city lottery (keno). Activities include the review of annual reports submitted by bingo, pickle card, lottery/raffle, and county/city lottery licensees, the review of quarterly tax returns submitted by licensees, and the review of county/city lottery (keno) compliance procedures reports submitted by counties, cities, and villages. Potential audit candidates are identified through the review of various financial reports submitted by licensees and referred to the Department's Audit Division for assignment and performance.

Financial Compliance and Review activities for the reporting period were as follows:

- 302 Pickle card annual reports reviewed
- 85 Bingo annual reports reviewed
- 77 Lottery/raffle annual reports reviewed
- 69 County/city lottery (keno) annual reports reviewed
- 58 Organizations which did not file timely annual reports identified and referred to Legal, Inspectors, and/or Investigators
- 17 Annual report shortages or audited losses (field visits) identified and referred to Inspectors and/or Investigators
- 24 Other annual report violations identified and referred to Inspectors, Investigators, Policy, or Legal
- 25 Field audits of bingo operations
- 28 Field audits of pickle card operations
- 16 Field audits of keno operations (county/city lottery)

In October 2006, counties, cities, and villages began to file the Nebraska County/City Lottery Annual Report, Form 35K, with the Department. Form 35K is a financial reporting of the gross proceeds and expenses/disbursements from a community's county/city lottery (keno) activity. The report also provides bank account information relating to the operation of the keno lottery which is used to identify shortages or misuse of lottery funds. Counties, cities, and villages also began to perform compliance procedures in lieu of the previously required annual audit of their keno lottery by an independent certified public accountant. Some counties, cities, and villages are continuing to use an independent certified public accountant for the performance of the compliance procedures even though the procedures may be performed by a representative of the county, city, or village.

**Inspectors** are responsible for the performance of on-site inspections of charitable gaming licensees. In addition to the main office in Lincoln, the inspectors work out of regional offices located in Scottsbluff, Omaha, and Grand Island. In addition to performing routine inspections of bingo, pickle card, and lottery/raffle activities, the inspectors review county/city lottery(keno) operations verifying the license status of lottery workers, performing unannounced keno writer drawer audits, reviewing the sponsoring community's oversight, and various compliance issues relating to game conduct. Inspection activities for the reporting period were as follows:

- 99 Bingo game inspections
- 212 Organization pickle card inspections
- 51 Organization lottery/raffle inspections
- 739 Pickle card operator inspections
- 502 Keno compliance inspections
- 6 Formal presentations to gaming licensees or potential licensees
- 1217 Mechanical Amusement Device (MAD) inspections
- 45 Annual report reviews and filing follow-ups
- 132 Administrative contacts and inquiries
- 2152 Nebraska retailer tobacco inspections

In conjunction with the reorganization of the Charitable Gaming Division and the Nebraska Lottery, the Investigative Services Division was dissolved in July 2007. The Charitable Gaming investigative staff has been reassigned to the merged operation and is part of the Financial Compliance and Review Section. Charitable Gaming investigative staff are located in Lincoln and Omaha and are responsible for general investigations, license applicant background investigations, as well as numerous other enforcement responsibilities within the Department. Investigative/enforcement activities for the reporting period were as follows:

- 14 Manufacturer, Distributor, and Lottery Operator Background Investigations
- 93 Investigations resulting from alleged violations and/or complaints (all gaming activities combined)

The use of illegal gambling devices in Nebraska continues to be a problem which impacts other forms of legal gambling. Occasionally Division inspectors encounter the use of possible illegal gambling devices while performing routine on-site inspections of charitable gaming licensees. Prior to the adoption of LB638 effective September 1, 2007, the Division did not have any jurisdiction with respect to illegal gambling devices. All such instances were referred to the Nebraska State Patrol for appropriate enforcement follow-up. In addition, a letter regarding the suspected illegal device is sent to the applicable County Attorney. During the 2006-07 reporting period, 38 possible illegal gambling devices were detected in the following counties:

Adams	6
Custer	4
Dawson	6
Furnas	1
Hall	2
Hamilton	1
Harlan	3
Howard	3
Merrick	2
Phelps	7
Thayer	3

# Revenue, Budget, and Expenditures

FYE June 30, 2007

## Revenue

Receipt Type	General Fund	Cash Fund	Total
Tax Revenue	\$3,219,819	\$2,154,842	\$5,374,661
Fee Revenue	143,135	117,230	260,365
Other Revenue		48,364	48,364
<b>Total Revenue</b>	<b>\$3,362,954</b>	<b>\$2,320,436</b>	<b>\$5,683,390</b>

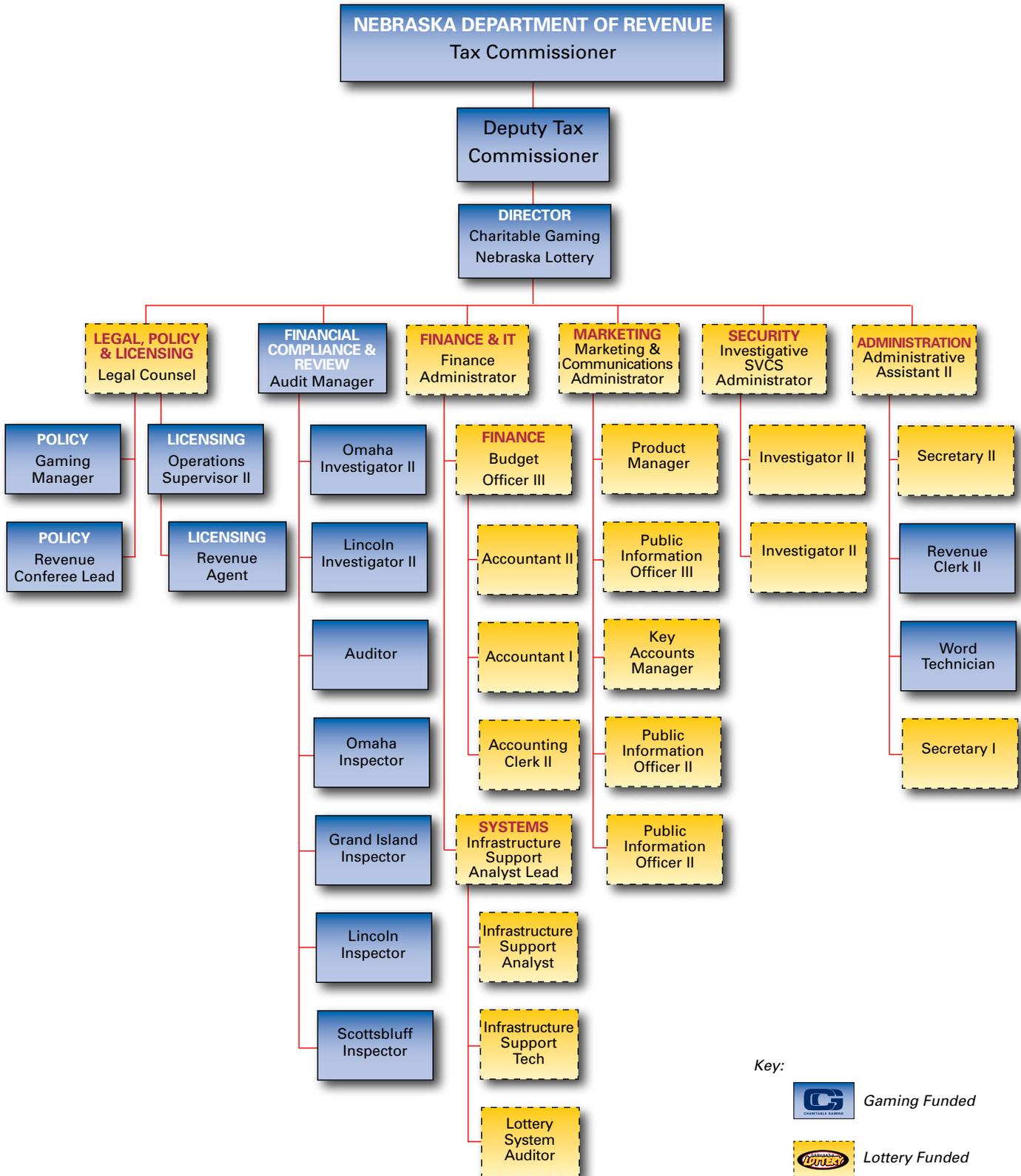
## Budget and Expenditures

Expenditure Type		Budgeted Amount*		Actual Expenditure **
Personal Services		\$1,961,408		\$1,662,671
Salaries	\$1,454,946		\$1,238,093	
Benefits	506,462		424,578	
Operating Expenses		\$ 276,830		\$ 171,969
Travel Expenses		132,343		79,518
Capital Outlay		16,500		14,264
<b>Total Charitable Gaming Expenses</b>		<b>\$2,387,081</b>		<b>\$1,928,422</b>
Athletic Commission Expenses Included in the Charitable Gaming Budget and Expenditures		42,500		23,362
<b>Total Expenses from Cash Fund</b>		<b>\$2,429,581</b>		<b>\$1,951,784</b>

\* Annual budget amounts for 2006-2007

\*\* Actual expenses recorded on a cash basis of accounting

# Staffing of Charitable Gaming Division and Nebraska Lottery



# Summary of Gaming Dollars Wagered, Taxes, and Fees

## Gaming Dollars Wagered

	FYE 6/2006	FYE 6/2007	Increase (Decrease)	Percentage Change
Bingo	\$ 14,051,926	\$ 12,179,641	(\$1,872,285)	-13.32%
Pickle Cards	45,943,737	41,620,943	(4,322,794)	-9.41%
County/City Lottery	185,340,795	196,210,843	10,870,048	5.86%
Lottery and Raffle	5,432,488	6,061,004	628,516	11.57%
<b>Total Wagers</b>	<b>\$ 250,768,946</b>	<b>\$ 256,072,431</b>	<b>\$ 5,303,485</b>	<b>2.11%</b>

## Tax Revenue

	FYE 6/2006	FYE 6/2007	Increase (Decrease)	Percentage Change
Bingo	\$ 421,558	\$ 365,388	(\$56,170)	-13.32%
Pickle Cards	1,118,524	1,017,326	(101,198)	-9.05%
County/City Lottery	3,706,816	3,924,216	217,400	5.86%
Lottery and Raffle	108,649	121,218	12,569	11.57%
<b>Total Tax Revenue</b>	<b>\$ 5,355,547</b>	<b>\$ 5,428,148</b>	<b>\$72,601</b>	<b>1.36%</b>

## License Fees

	FYE 6/2006	FYE 6/2007	Increase (Decrease)	Percentage Change
Cash Fund	\$ 148,490	\$ 130,735	(\$17,755)	-11.96%
General Fund	217,537	135,895	(81,642)	-37.53%
<b>Total License Fees</b>	<b>\$ 366,027</b>	<b>\$ 266,630</b>	<b>(\$99,397)</b>	<b>-27.16%</b>

<b>Total Taxes and License Fees</b>	<b>\$ 5,721,574</b>	<b>\$ 5,694,778</b>	<b>(\$26,796)</b>	<b>-0.47%</b>
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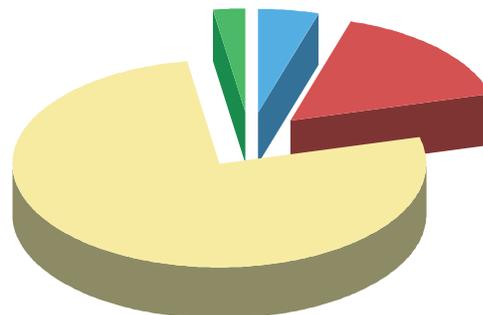
## Gaming Dollars Wagered

**FYE 06/2006**  
**\$250,768,946**



Bingo – \$14,051,926 **5.60%**  
 Pickle Cards – \$45,943,737 **18.32%**  
 County/City Lottery – \$185,340,795 **73.91%**  
 Lottery and Raffle – \$5,432,488 **2.17%**

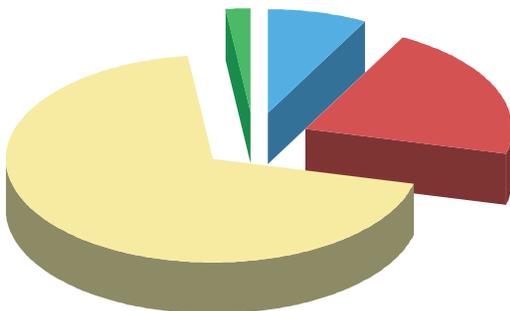
**FYE 06/2007**  
**\$256,072,431**



Bingo – \$12,179,641 **4.76%**  
 Pickle Cards – \$41,620,943 **16.25%**  
 County/City Lottery – \$196,210,843 **76.62%**  
 Lottery and Raffle – \$6,061,004 **2.37%**

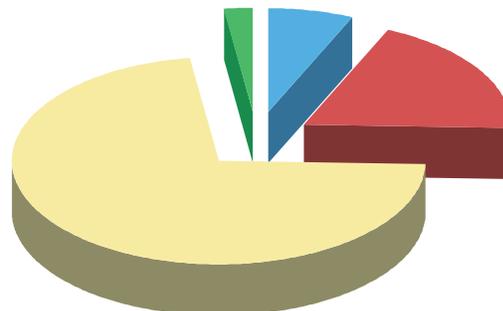
## Gaming Tax Revenue

**FYE 06/2006**  
**\$5,335,547**



Bingo – \$421,558 **7.87%**  
 Pickle Cards – \$1,118,524 **20.89%**  
 County/City Lottery – \$3,706,816 **69.21%**  
 Lottery and Raffle – \$108,649 **2.03%**

**FYE 06/2007**  
**\$5,428,148\***



Bingo – \$365,388 **6.73%**  
 Pickle Cards – \$1,017,326 **18.74%**  
 County/City Lottery – \$3,924,216 **72.30%**  
 Lottery and Raffle – \$121,218 **2.23%**

\*Based upon tax returns filed; actual tax revenue received was \$5,374,661.

# Gross Wagering by County

COUNTY	Bingo Gross Receipts		Pickle Cards Gross Proceeds		Lottery and Raffle Gross Proceeds		County/City Lottery Gross Proceeds		Total Gross Wagering	
	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007
ADAMS	\$535,521	\$484,254	\$1,377,094	\$1,401,358	\$148,125	\$207,640	\$4,145,937	\$3,849,162	\$6,206,677	\$5,942,414
ANTELOPE			20,322	28,572	81,744	73,009	145,532	176,860	247,598	278,441
ARTHUR			15,840	7,920					15,840	7,920
BANNER					No Activity					
BLAINE					No Activity					
BOONE	17,697	17,072	147,407	172,972	99,394	108,656			264,498	298,700
BOX BUTTE	301,730	313,115	169,331	146,232	21,600	100,000	927,231	916,073	1,419,892	1,475,420
BOYD			35,712	8,928					35,712	8,928
BROWN			71,238	84,238	34,500	39,600	225,842	266,312	331,580	390,150
BUFFALO	515,808	502,698	2,422,037	2,152,036	104,705	128,279	4,974,571	5,459,004	8,017,121	8,242,017
BURT			81,108	57,660		6,933			81,108	64,593
BUTLER	46,101	44,747	154,932	130,433	69,326	70,147	176,598	264,294	446,957	509,621
CASS	77,604	66,334	824,052	638,475	20,987	59,712	3,775,086	3,367,342	4,697,729	4,131,863
CEDAR	5,500	6,096	165,056	106,824	11,468	11,337	77,540	145,278	259,564	269,535
CHASE	27,732	19,336	10,389	10,776	62,500	3,150	190,518	210,967	291,139	244,229
CHERRY	5,960	6,815	168,171	229,604					174,131	236,419
CHEYENNE	41,005	40,450	185,155	251,538	17,308	17,293	582,389	664,383	825,857	973,664
CLAY			108,397	145,807	23,500	42,575	283,226	189,710	415,123	378,092
COLFAX	43,631	36,737	64,855	76,238	70,456	77,978	538,378	535,775	717,320	726,728
CUMING	15,835	16,814	384,573	337,347	51,395	51,031	57,869	55,114	509,672	460,306
CUSTER	4,272	2,511	13,876	11,880					18,148	14,391
DAKOTA	371,655	407,776	461,485	466,188	23,749	21,204	597,695	638,964	1,454,584	1,534,132
DAWES			4,960	11,010		9,100	795,190	671,432	800,150	691,542
DAWSON	77,100	71,462	256,605	154,661	18,520	10,580	608,372	695,772	960,597	932,475
DEUEL	11,312	8,678	8,910	7,920			600,124	408,946	620,346	425,544
DIXON			267,720	279,210					267,720	279,210
DODGE	180,124	166,620	1,558,524	1,604,596	66,511	92,074	4,465,815	4,451,841	6,270,974	6,315,131
DOUGLAS	4,869,117	3,992,576	11,963,955	9,766,710	2,212,406	2,291,442	70,093,704	78,095,605	89,139,182	94,146,333
DUNDY					No Activity					
FILLMORE	28,903	23,066	250,302	241,426			320,053	429,217	599,258	693,709
FRANKLIN							27,157	51,143	27,157	51,143
FRONTIER			33,660	54,750			2,603	2,070	36,263	56,820
FURNAS			23,189	18,844	8,119	18,759	187,718	148,045	219,026	185,648
GAGE	168,688	150,322	699,317	507,629	19,480	18,319	1,888,343	1,862,981	2,775,828	2,539,251
GARDEN	2,504	1,838	18,871	4,969			186,753	154,640	208,128	161,447
GARFIELD	12,454	10,784	69,494	43,020					81,948	53,804
GOSPER			23,640	21,549			126,499	102,948	150,139	124,497
GRANT					No Activity					
GREELEY			14,914	7,959	36,308	30,473	119,291	306,499	170,513	344,931
HALL	864,694	776,303	2,178,603	1,910,684	222,783	201,441	6,157,702	6,600,224	9,423,782	9,488,652
HAMILTON	18,285	13,602	74,837	47,857	9,689	9,244			102,811	70,703
HARLAN	2,535	3,078	243,994	217,201			222,360	145,367	468,889	365,646
HAYES					No Activity					
HITCHCOCK		2,052	67,269	111,120			188,307	97,235	255,576	210,407
HOLT	16,002	16,857	355,861	360,553	5,000	16,290	23,311	24,987	400,174	418,687
HOOKER					No Activity					
HOWARD	10,922	3,296	22,961	14,009	128,709	227,045	538,179	425,338	700,771	669,688

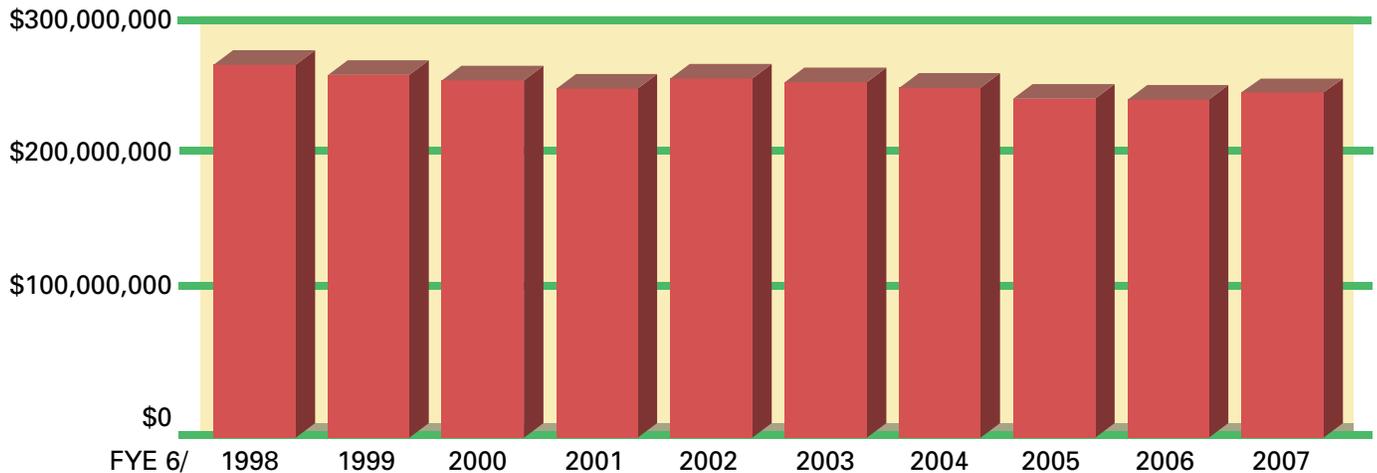
COUNTY	Bingo Gross Receipts		Pickle Cards Gross Proceeds		Lottery and Raffle Gross Proceeds		County/City Lottery Gross Proceeds		Total Gross Wagering	
	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007
JEFFERSON	\$51,379	\$52,363	\$405,145	\$464,301	\$7,890	\$24,640	\$193,448	\$164,945	\$657,862	\$706,249
JOHNSON	1,811	2,711	28,834	38,255			381,815	530,260	412,460	571,226
KEARNEY			66,335	106,462					66,335	106,462
KEITH	35,938	39,199	276,023	255,815	5,707		946,834	1,016,644	1,264,502	1,311,658
KEYA PAHA	No Activity									
KIMBALL	12,291	14,870	63,776	73,048		1,480	804,920	664,455	880,987	753,853
KNOX	14,608	14,149	89,046	75,118	5,711	7,456	219,686	220,824	329,051	317,547
LANCASTER	2,437,021	1,791,298	7,203,120	6,252,973	354,188	507,525	31,291,685	31,101,297	41,286,014	39,653,093
LINCOLN	137,612	133,840	1,753,932	1,605,774	81,282	97,688	6,565,569	6,098,122	8,538,395	7,935,424
LOGAN			7,152	12,744					7,152	12,744
LOUP			12,600	25,200					12,600	25,200
MADISON	487,615	449,317	1,223,929	1,024,961	113,556	159,866	410,574	366,568	2,235,674	2,000,712
MCPHERSON	No Activity									
MERRICK	5,971	6,645	317,669	335,422					323,640	342,067
MORRILL			16,350	16,556	36,000	36,000	54,845	69,860	107,195	122,416
NANCE	15,205	15,678	88,626	76,455	22,000	37,260	176,514	172,260	302,345	301,653
NEMAHA	57,823	30,591	120,250	122,365	6,760		157,929	167,239	342,762	320,195
NUCKOLLS			118,080	118,609			274,351	244,609	392,431	363,218
OTOE	131,434	115,379	522,459	546,804			400,434	481,645	1,054,327	1,143,828
PAWNEE			44,370	53,362					44,370	53,362
PERKINS							351,706	294,992	351,706	294,992
PHELPS	14,469	10,012	109,960	94,796	27,165	22,650	161,350	224,410	312,944	351,868
PIERCE	11,700	10,764	325,375	312,119	5,175	5,150	560,471	710,746	902,721	1,038,779
PLATTE	510,443	401,246	1,328,469	1,410,366	360,943	303,756	2,264,895	2,394,612	4,464,750	4,509,980
POLK			119,709	181,777		33,155	70,142	48,841	189,851	263,773
RED WILLOW	101,848	95,232	613,674	673,225	38,385	40,169		250,432	753,907	1,059,058
RICHARDSON	15,489	13,089	125,126	87,361	18,000	56,225			158,615	156,675
ROCK	3,185	2,311	2,160	1,080					5,345	3,391
SALINE	5,570	5,321	512,990	483,766	50,375	72,794	655,727	735,461	1,224,662	1,297,342
SARPY	979,415	972,445	2,129,666	2,438,398	315,493	255,069	27,538,666	29,213,858	30,963,240	32,879,770
SAUNDERS	55,072	52,398	354,781	325,511	107,683	82,133	1,282,781	1,217,268	1,800,317	1,677,310
SCOTTS BLUFF	580,784	611,531	1,086,141	960,062	145,155	209,020	5,562,688	6,092,066	7,374,768	7,872,679
SEWARD			551,201	449,986	39,110	55,633			590,311	505,619
SHERIDAN	4,228	1,418	53,224	50,006	7,954	8,534	53,565	43,899	118,971	103,857
SHERMAN	15,293	14,226	107,863	69,467	2,540				125,696	83,693
SIOUX					32,400	18,000			32,400	18,000
STANTON	21,224	25,893	76,759	61,020					97,983	86,913
THAYER	18,145	17,414	21,546	7,810		5,340	26,458	26,528	66,149	57,092
THOMAS	No Activity									
THURSTON	903								903	
VALLEY	31,268	28,462	97,993	70,468		9,060	117,708	98,719	246,969	206,709
WASHINGTON	21,491	46,550	192,875	190,950	24,306	8,070	958,565	1,541,552	1,197,237	1,787,122
WAYNE			102,508	105,876	25,948	24,765			128,456	130,641
WEBSTER			113,190	73,377					113,190	73,377
WHEELER			7,940	18,390			38,517	13,924	46,457	32,314
YORK			534,275	500,205	30,480	36,255	569,059	591,279	1,133,814	1,127,739
<b>TOTAL</b>	<b>\$ 14,051,926</b>	<b>12,179,641</b>	<b>\$ 45,943,737</b>	<b>\$ 41,620,943</b>	<b>\$ 5,432,488</b>	<b>\$ 6,061,004</b>	<b>\$ 185,340,795</b>	<b>\$ 196,210,843</b>	<b>\$ 250,768,946</b>	<b>\$ 256,072,431</b>

## 10 – Year Comparison of Gaming Dollars Wagered

	FYE 6/1998	FYE 6/1999	FYE 6/2000	FYE 6/2001	FYE 6/2002
Bingo	\$ 19,355,648	\$ 19,229,963	\$ 18,965,647	\$ 17,641,173	\$ 16,686,076
Pickle Cards	100,289,010	90,502,926	82,866,886	71,391,519	68,302,524
County/City Lottery	153,834,783	156,068,465	159,690,193	166,051,868	176,912,978
Lottery and Raffle	3,541,481	3,458,815	3,811,149	4,238,281	4,562,701
<b>Totals</b>	<b>\$277,020,922</b>	<b>\$269,260,169</b>	<b>\$265,333,875</b>	<b>\$259,322,841</b>	<b>\$266,464,279</b>

	FYE 6/2003	FYE 6/2004	FYE 6/2005	FYE 6/2006	FYE 6/2007
Bingo	\$ 16,558,843	\$ 15,370,116	\$ 14,268,212	\$ 14,051,926	\$ 12,179,641
Pickle Cards	62,559,488	57,510,542	50,819,571	45,943,737	41,620,943
County/City Lottery	179,518,444	182,190,233	181,255,946	185,340,795	196,210,843
Lottery and Raffle	5,168,480	4,860,299	5,545,781	5,432,488	6,061,004
<b>Totals</b>	<b>\$263,805,255</b>	<b>\$259,931,190</b>	<b>\$251,889,510</b>	<b>\$250,768,946</b>	<b>\$256,072,431</b>

### Gaming Dollars Wagered – 1998-2007



## Licensees Comparison

	Biennial License Fee	Number of Licenses FYE 6/2006	Number of Licenses FYE 6/2007	Number of Changes
<b>BINGO</b>				
Organizations Licensed to Conduct Class I Bingo	\$ 30	114	112	(2)
Organizations Licensed to Conduct Class II Bingo	\$ 100	33	27	(6)
Gaming Managers	\$ 100	46	38	(8)
Lessors of Commercial Bingo Halls	None	7	6	(1)
Commercial Bingo Halls	\$ 200	10	7	(3)
<b>PICKLE CARD LICENSES</b>				
Organizations Licensed to Conduct Class I Lottery by Pickle Cards	\$ 200	185	181	(4)
Organizations Licensed to Conduct Class II Lottery by Pickle Cards	\$ 300	327	314	(13)
Pickle Card Operators	\$ 100	1,027	1,026	(1)
Pickle Card Operator Authorizations	None	1,396	1,376	(20)
Sales Agents	\$ 100	487	461	(26)
<b>COUNTY/CITY LOTTERY (KENO)</b>				
Counties, Cities, and Villages Licensed to Conduct Lotteries	\$ 100	138	149	11
County/City Lottery Operators	\$ 500	133	144	11
County/City Sales Outlet Locations (includes Satellite Locations)	None	620	694	74
County/City Lottery Workers	None	5,119	4,723	(396)
<b>LOTTERY AND RAFFLE</b>				
Organizations Licensed to Conduct Lotteries and Raffles	\$30	299	319	20
<b>MANUFACTURERS AND DISTRIBUTORS</b>				
Manufacturers of Bingo Equipment and Pickle Cards	\$3,050	9	9	0
Distributors of Bingo Equipment and Pickle Cards	\$3,050	3	3	0
Manufacturer-Distributors of County/City Lottery Supplies and Equipment	\$1,525	6	5	(1)
<b>OTHER LICENSES AND PERMITS</b>				
Special Event Bingo Permits	A \$ 15	94	76	(18)
Pickle Card Dispensing Devices Registered	B \$ 50	1,274	1,216	(58)
Lottery and Raffle Special Permits	C \$ 10	373	248	(125)
Utilization of Funds Members	D \$ 40	1,064	1,048	(16)
<b>TOTAL</b>		<b>12,764</b>	<b>12,182</b>	<b>(582)</b>

Key:

- A Fee per event; maximum of 2 events per calendar year not to exceed 14 days in total.
- B Fee per device; calendar year registration.
- C Fee per permit; one per 12-month period ending September 30 each year; valid for maximum of 3 consecutive calendar months for special lottery or special raffle or both.
- D Biennial fee; licensed organizations are required to license at least one Utilization of Funds Member who is responsible for the proper use of bingo receipts, pickle card proceeds, or lottery and raffle proceeds.

# Licensed Nonprofit Organizations and Pickle Card Operators by County

	Bingo				Pickle Cards				Pickle Card Operators		Lottery and Raffle	
	Class I FYE 6/2006	Class I FYE 6/2007	Class II FYE 6/2006	Class II FYE 6/2007	Class I FYE 6/2006	Class I FYE 6/2007	Class II FYE 6/2006	Class II FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007
ADAMS	1		4	4	7	7	8	8	15	16	6	9
ANTELOPE					1		3	3	3	3	2	2
ARTHUR							1	1		1		
BANNER					No Activity							
BLAINE					No Activity							
BOONE	2	2			2	2	4	4	8	8	7	6
BOX BUTTE	3	4	1		3	4	2	1	3	3	1	2
BOYD							1	1	3	3		
BROWN	1						1	1	5	5	1	1
BUFFALO	4	4	1	1	6	6	9	9	20	20	5	6
BURT					2	2	1	1	4	4		1
BUTLER	1	1			2	1	8	7	12	13	8	8
CASS	2	2			3	3	8	7	15	16	4	3
CEDAR	2	2					3	3	10	11	2	3
CHASE	3	3			1	1			3	3	1	1
CHERRY	1	1			1	1	1	1	9	9		
CHEYENNE	1	1			1	1	3	3	6	6	2	2
CLAY					1	1	3	2	6	6	2	1
COLFAX	6	6			4	4	2	2	5	5	6	6
CUMING	4	5			2	2	4	4	10	11	2	2
CUSTER	1	1					2	2	2	2		
DAKOTA			1	1	1	1	6	7	12	13	3	3
DAWES					1	1			3	3	1	
DAWSON	4	4			6	6	4	3	11	11	2	2
DEUEL	1	1			1	1			1	1		
DIXON							1	1	8	10	1	1
DODGE	5	5			7	7	11	11	37	41	5	6
DOUGLAS	2	2	10	8	30	28	44	43	230	229	87	92
DUNDY									1	1		
FILLMORE	4	4			3	3	6	6	9	10		
FRANKLIN									2	2		
FRONTIER							1	1	2	2		
FURNAS							1	1	2	2	2	2
GAGE	4	4			2	2	6	7	15	13	4	3
GARDEN	1	1			1	1			1	1		
GARFIELD	1	1					2	2	4	4		
GOSPER									3	3		
GRANT					No Activity							
GREELEY							1	1	3	2	5	4
HALL	4	4	2	2	9	9	7	7	25	23	10	10
HAMILTON	1				1		2	2	5	4	1	1
HARLAN	1	1					2	2	9	9		
HAYES					No Activity							
HITCHCOCK		1					1	1	4	4		
HOLT	2	2			1		5	5	9	10	2	1

## Licensed Nonprofit Organizations and Pickle Card Operators by County (Cont.)

	Bingo				Pickle Cards				Pickle Card Operators		Lottery and Raffle	
	Class I FYE 6/2006	Class I FYE 6/2007	Class II FYE 6/2006	Class II FYE 6/2007	Class I FYE 6/2006	Class I FYE 6/2007	Class II FYE 6/2006	Class II FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007
HOOKER	<b>No Activity</b>											
HOWARD	1				1	1	2	1	2	2	2	2
JEFFERSON	2	2			3	2	5	5	9	10	1	2
JOHNSON	1	1			1	1	1	1	5	5		
KEARNEY							1	1	3	3		
KEITH	1	1			3	3	5	5	17	18	1	1
KEYA PAHA												
KIMBALL	1	1			2	2	1	1	3	3	1	1
KNOX	3	3					1	1	3	3	2	2
LANCASTER	4	4	4	3	10	10	28	27	112	115	28	37
LINCOLN	1	2	1		4	4	6	6	25	27	8	9
LOGAN					1	1						
LOUP							1	1	1	1		
MADISON	2	3	4	3	5	5	8	8	28	27	7	9
MCPHERSON												
MERRICK	1	1			2	2	5	4	5	5		
MORRILL					1	1			2	2	2	2
NANCE	1	1			2	2	3	2	7	5	2	2
NEMAHA	2	2			2	2	1	1	5	5	1	
NUCKOLLS					2	3	2	2	3	3		
OTOE	2	2			1	1	8	8	15	14	1	1
PAWNEE					1	1	1	1	1	1		
PERKINS									4	4		
PHELPS	1	1			2	2	3	3	5	5	3	4
PIERCE	2	1			1	1	3	3	14	13	1	1
PLATTE	2	2	1	1	4	4	7	7	34	30	13	10
POLK					1	1	2	2	7	7	1	1
RED WILLOW	5	5			4	4	2	2	11	8	2	2
RICHARDSON	1	1			3	3	4	4	4	3	2	2
ROCK	1	1			1	1						
SALINE	2	3			3	3	7	7	12	11	6	5
SARPY			2	2	6	7	12	11	53	53	11	12
SAUNDERS	2	2			3	3	11	9	15	14	7	8
SCOTTS BLUFF	3	3	2	2	5	5	3	3	23	23	10	9
SEWARD							5	5	18	16	3	4
SHERIDAN	1	1			1	1	1	1	3	3	1	2
SHERMAN	2	1			2	2	4	4	2	3	1	1
SIOUX											1	
STANTON	1	1			1	1	1	1	4	4		
THAYER	1	1			1	1	2	2	1	1	1	1
THOMAS									1	1		
THURSTON	1								3	3		
VALLEY	3	3			2	2	3	2	3	3	1	1
WASHINGTON	1				2	2	3	2	7	7	1	2
WAYNE	1	1			1	1	3	3	7	6	3	3
WEBSTER							4	4	5	6		
WHEELER							1	1	2	1		
YORK					2	2	3	3	8	9	3	5
<b>TOTAL</b>	<b>114</b>	<b>112</b>	<b>33</b>	<b>27</b>	<b>185</b>	<b>181</b>	<b>327</b>	<b>314</b>	<b>1027</b>	<b>1026</b>	<b>299</b>	<b>319</b>

# Organizations Participating in Gaming Activities

## Wagering By Exemption Code

	Bingo Gross Receipts	
	FYE 6/2006	FYE 6/2007
501 (c)(3)	\$ 5,070,210	\$ 4,446,204
501 (c)(4)	1,959,983	1,577,630
501 (c)(5)	97,519	80,897
501 (c)(8)	2,070,761	3,113,970
501 (c)(10)	1,798,931	512,778
501 (c)(19)	2,568,537	2,448,088
VF&E	485,985	74
<b>Total</b>	<b>\$14,051,926</b>	<b>\$12,179,641</b>

	Pickle Card Gross Proceeds	
	FYE 6/2006	FYE 6/2007
501(c)(3)	\$16,585,915	\$14,822,400
501(c)(4)	5,575,183	5,228,248
501(c)(5)	268,002	195,365
501(c)(7)	704,545	636,512
501(c)(8)	4,052,913	3,670,626
501(c)(10)	3,305,931	3,184,239
501(c)(19)	8,884,383	7,870,075
VF&E	6,566,865	6,013,478
<b>Total</b>	<b>\$45,943,737</b>	<b>\$41,620,943</b>

	Lottery and Raffle Gross Proceeds	
	FYE 6/2006	FYE 6/2007
501(c)(3)	\$ 4,583,645	\$ 5,078,839
501(c)(4)	129,970	199,907
501(c)(5)	23,148	6,087
501(c)(6)	104,200	95,015
501(c)(7)	89,900	97,500
501(c)(8)	226,465	194,105
501(c)(10)	140,640	174,740
501(c)(19)	55,545	105,456
VF&E	78,975	109,355
<b>Total</b>	<b>\$ 5,432,488</b>	<b>\$ 6,061,004</b>

The following is a brief explanation of the Internal Revenue Code section 501(c) exemptions.

- 501(c)(3)** Corporations, community chests, funds, or foundations organized and operated exclusively for religious, charitable, scientific, or educational purposes, to foster amateur sports competition, or for the prevention of cruelty to children or animals.
- 501(c)(4)** Civic leagues or nonprofit organizations promoting social welfare or local associations of employees.
- 501(c)(5)** Labor, agricultural, or horticultural organizations.
- 501(c)(6)** Business leagues, chambers of commerce, real estate boards, boards of trade, or professional football leagues.
- 501(c)(7)** Clubs organized for pleasure or recreation.
- 501(c)(8)** Fraternal beneficiary societies, orders, or associations which provide for payment of life, sick, accident, or other benefits to the members or their dependents.
- 501(c)(10)** Domestic fraternal societies, orders, or associations which do not provide for payment of life, sick, accident, or other benefits.
- 501(c)(19)** A post or organization of past or present members of the Armed Forces of the U.S., or an auxiliary unit.

**Also eligible:** Any volunteer fire company, or volunteer first-aid, rescue, ambulance, or emergency squad (VF&E).

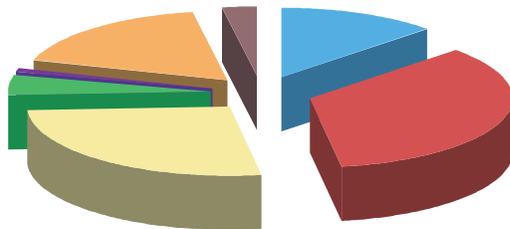
Only those organizations holding an exemption under section 501(c)(3), (4), (5), (8), (10), or (19), or a volunteer fire company, or volunteer first-aid, rescue, ambulance, or emergency squad may apply for a license to conduct bingo or a lottery by the sale of pickle cards.

Additionally, a section 501(c)(7) organization is eligible to apply for a pickle card license.

An organization holding any section 501(c) exemption, or a volunteer fire company, or volunteer first-aid, rescue, ambulance, or emergency squad may apply for a license to conduct lotteries or raffles.

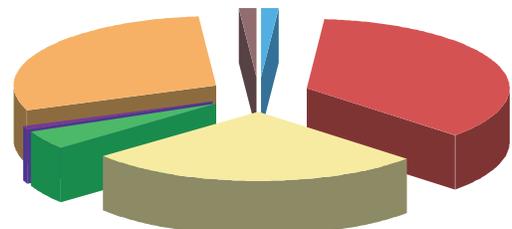
# Number of Licensees by Exemption Code

FYE 6/2006



12.9%	501(c)(10)	19	0.7%	501(c)(5)	1
34.7%	501(c)(19)	51	17.7%	501(c)(8)	26
26.5%	501(c)(3)	39	2.7%	VF&E	4
4.8%	501(c)(4)	7			

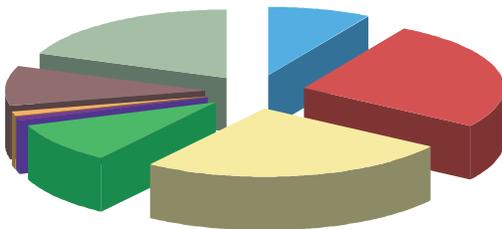
FYE 6/2007



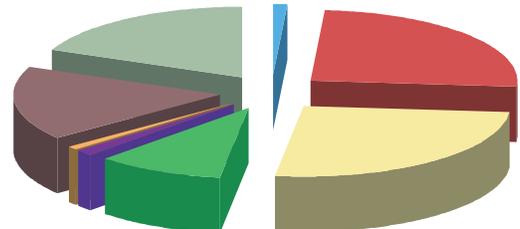
1.4%	501(c)(10)	2	0.7%	501(c)(5)	1
35.3%	501(c)(19)	49	28.8%	501(c)(8)	40
28.1%	501(c)(3)	39	1.4%	VF&E	2
4.3%	501(c)(4)	6			

## Bingo

## Pickle Card

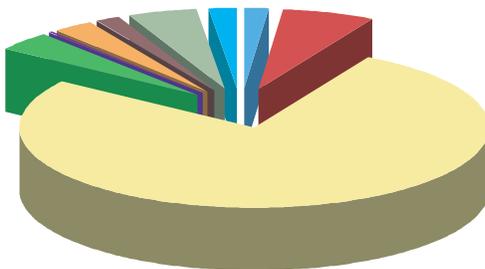


8.2%	501(c)(10)	42	0.8%	501(c)(5)	4
26.2%	501(c)(19)	134	1%	501(c)(7)	5
25.2%	501(c)(3)	129	9.4%	501(c)(8)	48
9.9%	501(c)(4)	51	19.3%	VF&E	99



.4%	501(c)(10)	2	0.8%	501(c)(5)	4
25.8%	501(c)(19)	128	.6%	501(c)(7)	3
26.3%	501(c)(3)	130	17.2%	501(c)(8)	85
10.1%	501(c)(4)	50	18.8%	VF&E	93

## Lottery and Raffle



1.7%	501(c)(10)	5	2.7%	501(c)(6)	8
6.3%	501(c)(19)	19	1.7%	501(c)(7)	5
76.6%	501(c)(3)	229	4.7%	501(c)(8)	14
4.0%	501(c)(4)	12	2.0%	VF&E	6
0.3%	501(c)(5)	1			



1.3%	501(c)(10)	4	3.1%	501(c)(6)	10
3.4%	501(c)(19)	11	1.3%	501(c)(7)	4
80.3%	501(c)(3)	256	4.3%	501(c)(8)	14
4.7%	501(c)(4)	15	1.3%	VF&E	4
.3%	501(c)(5)	1			

# County/City Lotteries Licensed by County\*

	Counties, Cities, & Villages		Lottery Operators		Sales Outlets	
	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007	FYE 6/2006	FYE 6/2007
ADAMS	1	1	1	1	2	2
ANTELOPE	2	2	2	2	2	3
ARTHUR	1	1				
BOX BUTTE	2	2	2	2	5	6
BROWN	1	2	1	2	2	3
BUFFALO	3	4	3	4	7	8
BUTLER	2	2	1	1	1	2
CASS	5	5	5	5	4	4
CEDAR	2	3	2	3	2	3
CHASE	2	2	2	2	2	2
CHEYENNE	3	3	3	3	5	6
CLAY	1	1	1	1	1	1
COLFAX	3	3	3	3	5	5
CUMING	1	1	1	1	2	2
DAKOTA	2	2	2	2	4	4
DAWES	2	2	2	2	5	5
DAWSON	1	1	1	1	5	4
DEUEL	1	1	1	1	3	2
DODGE	4	4	4	4	19	22
DOUGLAS	7	6	7	6	327	366
FILLMORE	2	4	2	4	2	3
FRANKLIN	3	3	2	2	1	1
FRONTIER	1	1	1	1	1	1
FURNAS	3	3	2	2	3	3
GAGE	3	4	3	4	6	7
GARDEN	1	1	1	1	3	3
GOSPER	1	1	1	1	2	3
GREELEY	2	2	2	2	3	3
HALL	2	2	2	2	7	8
HARLAN	1	1	1	1	2	2
HITCHCOCK	2	2	2	2	2	2
HOLT	1	1	1	1	2	2
HOWARD	2	2	2	2	3	2
JEFFERSON	1	1	1	1	2	2
JOHNSON	1	2	1	2	1	2
KEITH	1	1	1	1	8	10
KIMBALL	1	1	1	1	3	3
KNOX	3	4	3	4	3	4
LANCASTER	6	6	6	6	72	78
LINCOLN	5	5	5	5	11	12
MADISON	1	1	1	1	1	1
MORRILL	1	1	1	1	1	1
NANCE	1	1	1	1	1	1
NEMAHA	1	1	1	1		
NUCKOLLS	2	2	2	2	2	2
OTOE	4	4	4	4	4	3
PAWNEE		1		1		1
PERKINS	2	2	2	2	3	3
PHELPS	2	2	2	2	2	2
PIERCE	2	3	2	3	2	3
PLATTE	3	3	3	3	9	12
POLK	1	1	1	1	1	1
RED WILLOW		1		1		1
SALINE	2	3	2	3	2	4
SARPY	6	6	6	6	31	36
SAUNDERS	6	6	5	5	2	3
SCOTTS BLUFF	6	6	8	8	11	10
SHERIDAN	1	1	1	1	1	1
SHERMAN	1	1				
THAYER	1	1	1	1	1	1
VALLEY	1	1	1	1	1	1
WASHINGTON	2	2	2	2	4	5
WHEELER	2	2	1	1	1	1
YORK	2	2	2	2		
<b>TOTAL</b>	<b>138</b>	<b>149</b>	<b>133</b>	<b>144</b>	<b>620</b>	<b>694**</b>

\* Only those counties with county/city lottery licensees in these years are listed.

\*\* Actual number of physical locations is 468.

# County/City Lotteries Gross Proceeds

County/City	FYE 6/2006	FYE 6/2007	County/City	FYE 6/2006	FYE 6/2007
ALLIANCE	\$ 586,423	\$ 623,718	KNOX CO.		\$ 12,368
ASHLAND	949,021	816,450	LAVISTA	\$ 12,365,957	12,983,809
AUBURN	157,929	167,239	LINCOLN <sup>2</sup>	19,530,004	19,324,278
AVOCA	149,375	151,599	LINDSAY	45,905	52,603
BARNESTON	187,999	236,171	LODGEPOLE	8,065	6,369
BARTLETT	38,517	13,924	LONG PINE	225,842	244,317
BATTLE CREEK	410,574	366,568	LORTON	99,277	66,958
BAYARD	54,845	69,860	LYMAN	12,205	45,043
BEATRICE	874,186	983,813	MADRID	104,670	33,530
BEEMER	57,869	55,114	MCCOOK		250,432
BELLEVUE	6,336,189	6,641,059	MCGREW	81,908	72,023
BENEDICT	32,191	25,724	MEMPHIS	144,930	161,327
BENNINGTON	492,299	544,869	MILLIGAN		206,079
BERTRAND	56,979	71,388	MINATARE	118,582	127,836
BLAIR	685,527	1,228,270	MORSE BLUFF	26,853	81,212
BLOOMFIELD	114,968	77,088	MURDOCK	83,156	62,046
BLUE SPRINGS	810,643	607,428	NAPONEE	8,353	
BRADY	13,999	36,812	NELIGH	76,153	88,212
CEDAR CREEK	517,990	448,768	NIOBRARA	46,997	43,288
CHADRON	164,393	265,531	NORTH BEND	80,129	65,544
CHASE CO.	62,382	52,397	NORTH LOUP	117,708	98,719
CHEYENNE CO.	476,981	542,799	NORTH PLATTE	6,112,265	5,756,145
CLARKSON	15,693	8,400	OMAHA	53,259,453	62,035,532
COLUMBUS	2,218,990	2,342,009	ORCHARD	69,379	88,648
CORTLAND	15,515		OSCEOLA	70,142	48,841
CRAWFORD	630,797	405,901	OSMOND		807
CRETE	559,455	618,332	OXFORD	166,704	134,808
DANNEBROG	43,331	105,731	PALMYRA	11,634	
DAVID CITY	176,598	264,294	PAPILLION	6,303,254	6,455,135
DAWSON CO.	608,372	695,772	PLAINVIEW	109,624	198,691
DENTON	5,569,571	5,432,879	PLATTSMOUTH	2,967,887	2,673,036
DEUEL CO.	600,124	408,946	POTTER	97,343	115,215
DONIPHAN	518,025	578,643	PRAGUE	29	
DORCHESTER		24,922	RALSTON	13,899,246	13,685,769
EAGLE	56,678	31,893	RANDOLPH	24,248	3,310
ELKHORN <sup>1</sup>	1,800,942	1,166,812	RAVENNA	51,452	187,395
ELM CREEK	294,217	144,181	RAYMOND	58,751	
EUSTIS	2,603	2,070	SARPY CO.	1,712,779	2,225,092
FAIRBURY	193,448	164,945	SCHUYLER	482,560	485,618
FILLMORE CO.	284,732	189,203	SCOTTS BLUFF CO.	3,629,984	3,752,925
FORT CALHOUN	273,038	313,282	SCRIBNER	5,628	52,345
FRANKLIN	18,804	51,143	SHELTON		27,361
FREMONT	4,380,058	4,333,952	SOUTH SIOUX CITY <sup>3</sup>	597,695	638,964
GARDEN CO.	186,753	154,640	SPALDING	43,069	240,106
GENEVA		12,409	SPRAGUE	211,557	253,156
GENOA	176,514	172,260	SPRINGFIELD	244,874	193,179
GERING	959,152	1,290,084	ST. PAUL	494,848	319,607
GOSPER CO.	126,499	102,948	STERLING		160,986
GRAFTON	35,321	21,526	STUART	23,311	24,987
GRANT	247,036	261,462	SUPERIOR	273,787	244,356
GRETNA	575,613	715,584	SUTHERLAND	148,465	139,898
HADAR	450,847	511,248	SYRACUSE	233,651	266,653
HALL CO.	5,639,677	6,021,581	TECUMSEH	381,815	369,274
HARDY	564	253	TERRYTOWN	760,857	804,155
HARLAN CO.	222,360	145,367	TRENTON	164,523	97,092
HARTINGTON		46,455	UNADILLA	55,872	148,034
HARVARD	283,226	189,710	VALLEY	559,724	484,841
HASTINGS	4,145,937	3,849,162	VALPARAISO	62,205	73,041
HAY SPRINGS	53,565	43,899	VERDIGRE	57,721	88,800
HEBRON	26,458	26,528	WACO	536,868	565,555
HEMINGFORD	340,808	292,355	WAHOO	99,743	85,238
HERSHEY	290,840	165,267	WATERLOO	82,040	177,782
HITCHCOCK CO.	23,784	143	WAUNETA	128,136	158,570
HOLBROOK	21,014	13,237	WAVERLY	5,921,802	6,090,984
HOLDREGE	104,371	153,022	WILBER	96,272	92,207
HOWELLS	40,125	41,757	WOLBACH	76,222	66,393
JOHNSTOWN		21,995	WYMORE		35,569
KEARNEY	4,628,902	5,100,067	WYNOT	53,292	95,513
KEITH CO.	946,834	1,016,644	<b>TOTALS</b>	<b>\$185,340,795</b>	<b>\$196,210,843</b>

<sup>1</sup> Annexed by City of Omaha March 1, 2007

<sup>2</sup> Includes the Village of Malcolm

<sup>3</sup> Includes the City of Dakota City

# The Games

## Bingo

- **Class I Bingo** – Nonprofit organization with bingo gross receipts of less than \$100,000 per year.
- **Class II Bingo** – Nonprofit organization with bingo gross receipts equal to or greater than \$100,000 per year.
  - **Utilization of Funds Member** – Member of nonprofit organization responsible for the proper use of the bingo gross receipts.
  - **Gaming Manager** – Individual responsible for all gaming activity conducted at the bingo occasions of a Class II bingo licensee.
- **Commercial Lessor** – Person or entity which owns or leases a premises to be leased to a nonprofit organization for the purpose of conducting bingo.
  - **Commercial Bingo Hall** – Premises leased to a nonprofit organization for the purpose of conducting bingo.
- **Special Event Bingo Permit** – Allows a nonprofit organization to conduct bingo on a limited basis at some other type of function held by such organization.
- **Manufacturer** – Person or entity which manufactures bingo equipment and/or pickle cards to be marketed to licensed distributors in Nebraska.
- **Distributor** – Person or entity which sells bingo equipment and/or pickle cards to licensed organizations in Nebraska.

<b>COUNTY/CITY LOTTERY (KENO)</b>	<b>Number of Licenses FYE 6/2006</b>	<b>Number of Licenses FYE 6/2007</b>
Organizations Licensed to Conduct Class I Bingo	114	112
Organizations Licensed to Conduct Class II Bingo	33	27
Gaming Managers	46	38
Lessors of Commercial Bingo Halls	7	6
Commercial Bingo Halls	10	7
Special Event Bingo Permits	94	76
Utilization of Funds Members*	1,064	1,048
Manufacturers of Bingo Equipment and Pickle Cards**	9	9
Distributors of Bingo Equipment and Pickle Cards	3	3

\* Total Utilization of Funds Members for all licensed organizations (bingo, pickle cards, and/or lottery and raffle)

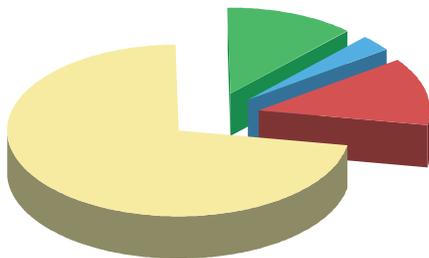
\*\* Not all necessarily manufacture bingo equipment

# Bingo Gross Receipts, Expenses, Taxes, and Profit

Fiscal Years Ending June 2007 and June 2006

	FYE 6/2007 Class I	FYE 6/2007 ClassII	FYE 6/2007 Total	FYE 6/2006 Total	Increase (Decrease)
<b>Gross Receipts</b>	<b>\$2,651,895</b>	<b>\$9,527,746</b>	<b>\$12,179,641</b>	<b>\$14,051,926</b>	<b>(\$1,872,285)</b>
<b>Less: Prizes</b>	1,906,723	6,636,199	<b>8,542,922</b>	<b>10,290,281</b>	(1,747,359)
<b>Expenses</b>	328,540	2,147,370	<b>2,475,910</b>	<b>2,601,149</b>	(125,239)
<b>Taxes</b>	79,557	285,831	<b>365,388</b>	<b>421,558</b>	(56,170)
<b>Profit</b>	<b>\$ 337,075</b>	<b>\$ 458,346</b>	<b>\$ 795,421</b>	<b>\$ 738,938</b>	<b>\$ 56,483</b>

**Class I – FYE 6/2007**



71.90% Prizes      3% Taxes  
12.39% Expenses      12.71% Profits

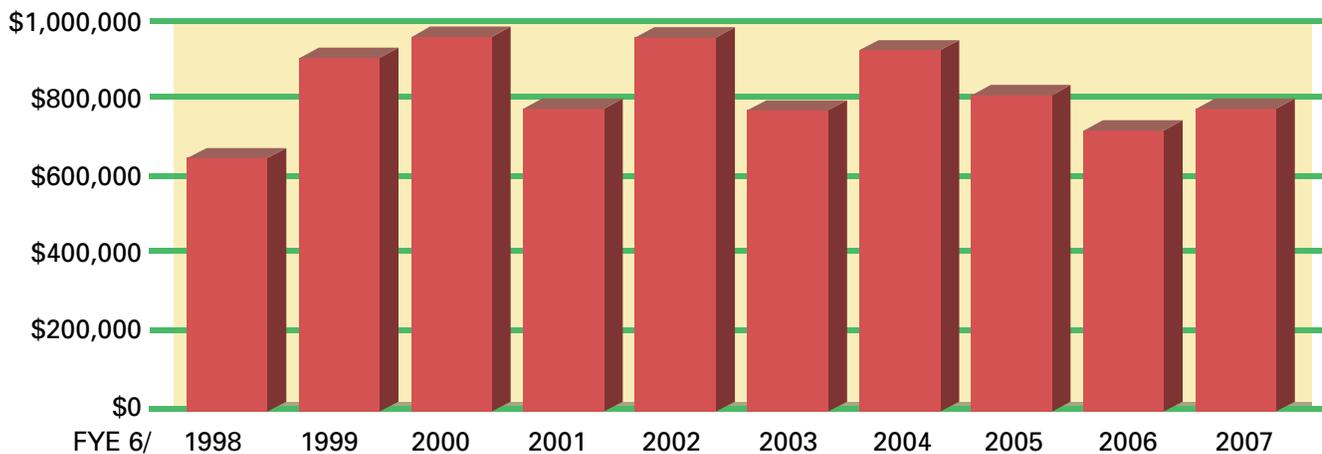
**Class II – FYE 6/2007**



69.65% Prizes      3% Taxes  
22.54% Expenses      4.81% Profits

	FYE 6/2007	FYE 6/2006
Number of Occasions Conducted .....	9,204	9,454
Attendance Reported .....	477,043	555,905
Average Player Spend Per Occasion .....	\$25.53	\$25.28

## Bingo Profits — 1998–2007



# The Games

## Pickle Cards

- **Class I Pickle Card** – Nonprofit organization which sells pickle cards only at its own premises and/or bingo occasions.
- **Class II Pickle Card** – Nonprofit organization which sells pickle cards only at its own premises, bingo occasions, and/or through licensed pickle card operators.
  - **Utilization of Funds Member** – Member of nonprofit organization responsible for the proper use of the pickle card gross proceeds.
  - **Sales Agent** – Member of nonprofit organization who markets pickle card units to pickle card operators on behalf of a Class II pickle card licensee.
- **Pickle Card Operator** – Person or entity holding a retail liquor license which sells individual pickle cards on behalf of a Class II pickle card licensee.
  - **Pickle Card Operator Authorization** – Authorization for a pickle card operator location to sell individual pickle cards to the public on behalf of a particular Class II pickle card licensee.
- **Pickle Card Dispensing Device Decal** – Registration decal required for each coin- or currency-operated device which dispenses individual pickle cards to the public.
- **Manufacturer** – Person or entity which manufactures bingo equipment and/or pickle cards to be marketed to licensed distributors in Nebraska.
- **Distributor** – Person or entity which sells bingo equipment and/or pickle cards to licensed organizations in Nebraska.

<b>COUNTY/CITY LOTTERY (KENO)</b>	<b>Number of Licenses FYE 6/2006</b>	<b>Number of Licenses FYE 6/2007</b>
Organizations Licensed to Conduct Class I Lottery by Pickle Cards	185	181
Organizations Licensed to Conduct Class II Lottery by Pickle Cards	327	314
Pickle Card Operators	1,027	1,026
Pickle Card Operator Authorizations	1,396	1,376
Sales Agents	487	461
Utilization of Funds Members*	1,064	1,048
Pickle Card Dispensing Devices Registered	1,274	1,216
Manufacturers of Bingo Equipment and Pickle Cards**	9	9
Distributors of Bingo Equipment and Pickle Cards	3	3

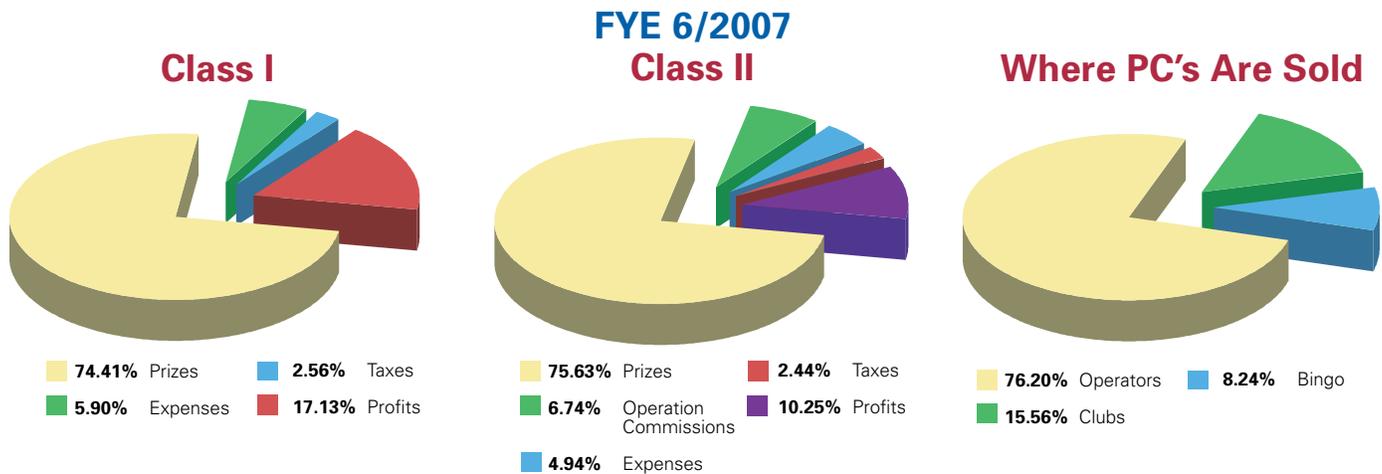
\* Total Utilization of Funds Members for all licensed organizations (bingo, pickle cards, and/or lottery and raffle)

\*\* Not all necessarily manufacture pickle cards

# Pickle Card Gross Proceeds, Expense, Taxes, and Profit

Fiscal Years Ending June 2007 and June 2006

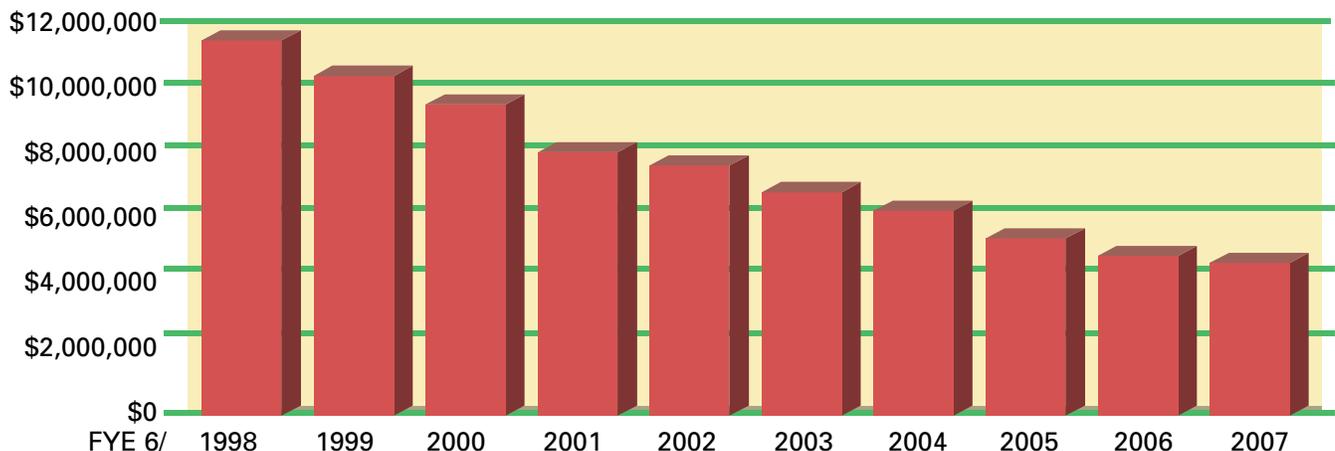
	FYE 6/2007 Class I	FYE 6/2007 ClassII	FYE 6/2007 Total	FYE 6/2006 Total	Increase (Decrease)
<b>Gross Proceeds</b>	<b>\$8,462,327</b>	<b>\$33,158,616</b>	<b>\$41,620,943</b>	<b>\$45,943,737</b>	<b>(\$4,322,794)</b>
<b>Less:</b> Prizes	6,296,817	25,077,861	<b>\$31,374,678</b>	<b>34,758,497</b>	(3,383,819)
Operator Commissions		2,234,891	<b>2,234,891</b>	<b>2,440,724</b>	(205,833)
Expenses	499,279	1,638,036	<b>2,137,315</b>	<b>2,559,686</b>	(422,371)
Taxes	<u>216,635</u>	<u>809,070</u>	<b>1,025,705</b>	<b>1,118,524</b>	(92,819)
<b>Profit</b>	<b>\$1,449,596</b>	<b>\$ 3,398,758</b>	<b>\$ 4,848,354</b>	<b>\$ 5,066,306</b>	<b>(\$217,952)</b>



\* The statutory pickle card tax rate is 10 percent of definite profit, which translates to approximately 2.44 percent of gross proceeds.  
 \*\* The statutory maximum allowed for a pickle card operator commission is 30 percent of definite profit, which translates to approximately 7 percent of gross proceeds.

	FYE 6/2007	FYE 6/2006
Number of Pickle Card Units Sold .....	20,666	23,152

## Pickle Card Profits — 1998–2007



# The Games

## County/City Lottery (Keno)

- **County/City Lottery** – County, city, or village which has approved a lottery by local election seeking to conduct a lottery within its jurisdictional boundaries.
- **Lottery Operator** – Person or entity which contracts with a county, city, or village to conduct a lottery on its behalf.
- **Sales Outlet/Satellite Location** – Person or entity which contracts with a lottery operator to conduct a lottery on behalf of the county, city, or village contracting with the lottery operator.
- **Lottery Worker** – Person who performs any work directly related to the conduct of a county/city lottery.
- **Manufacturer-Distributor** – Person or entity which manufactures county/city lottery (keno) supplies and equipment to be marketed in Nebraska or who sells county/city lottery (keno) supplies and equipment to the licensed county, city, village, or lottery operator in Nebraska.

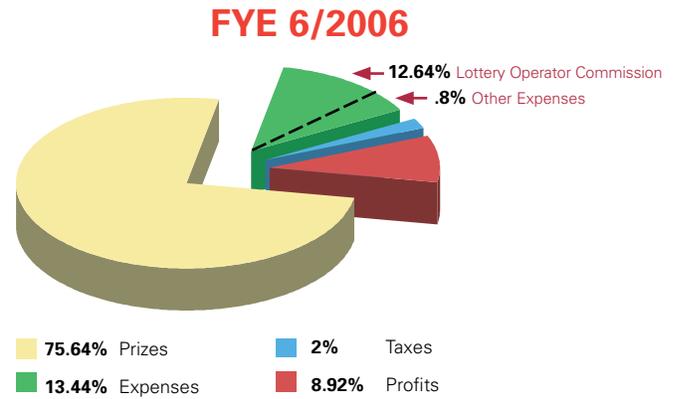
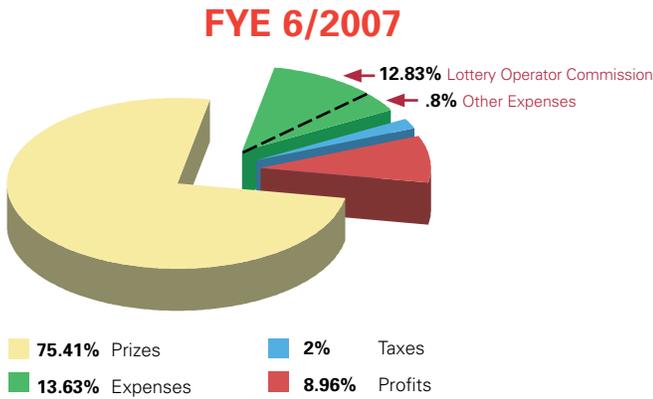
<b>COUNTY/CITY LOTTERY (KENO)</b>	<b>Number of Licenses FYE 6/2006</b>	<b>Number of Licenses FYE 6/2007</b>
Counties, Cities, and Villages Licensed to Conduct Lotteries	138	149
County/City Lottery Operators	133	144
County/City Sales Outlet Locations (includes Satellite Locations)	620	694*
County/City Lottery Workers	5,119	4,723
Manufacturer-Distributors of County/City Lottery Supplies and Equipment	6	5

\* Actual number of physical locations is 468.

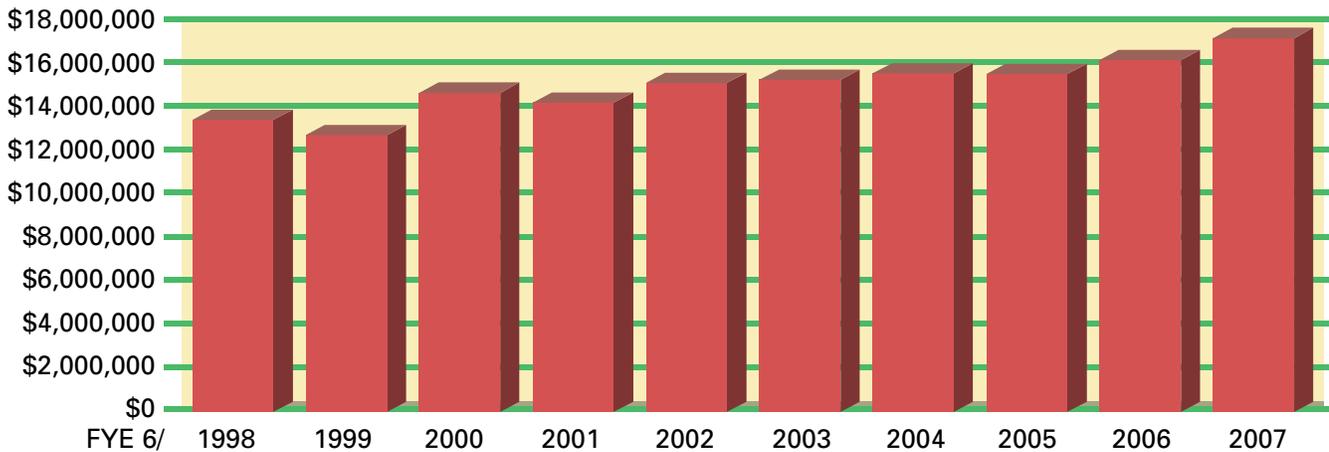
# County/City Lottery (Keno) Gross Proceeds, Expense, Taxes, and Profit

Fiscal Years Ending June 2007 and June 2006

	FYE 6/2007	FYE 6/2006	Increase (Decrease)
<b>Gross Proceeds</b>	<b>\$196,210,843</b>	<b>\$185,340,795</b>	<b>\$10,870,048</b>
<b>Less:</b> Prizes	147,964,566	140,189,022	\$ 7,775,544
Lottery Operator Commission	\$25,168,254	\$ 23,429,360	\$ 1,738,894
Other Expenses	1,576,066	1,476,196	\$99,870
<b>Total Expenses</b>	<b>\$ 26,744,320</b>	<b>\$ 24,905,556</b>	
Taxes	3,924,216	3,706,816	\$ 217,400
<b>Profit</b>	<b>\$17,577,741</b>	<b>\$ 16,539,401</b>	<b>\$ 1,038,340</b>



## County/City Lottery (Keno) Profits — 1998–2007



# The Games

## Lottery And Raffle

- **Lottery and Raffle** – Nonprofit organization which conducts a lottery with gross proceeds exceeding \$1,000 and/or a raffle with gross proceeds exceeding \$5,000.
- **Utilization of Funds Member** – Member of nonprofit organization responsible for the proper use of the lottery and raffle gross proceeds.
- **Lottery** – Cash prizes or less than 80 percent of the prizes to be awarded (as determined by their fair market value) are merchandise. Real estate and savings bonds are considered cash prizes.
- **Prizes** – A prize awarded in a lottery or a raffle may include merchandise, cash, or anything of value which may be legally owned and possessed.
- **Raffle** – At least 80 percent of the prizes awarded (as determined by their fair market value) are merchandise. Merchant gift certificates are considered merchandise prizes.
- **Special Permit** – Exempts one licensed lottery and/or one raffle from the otherwise required:
  - a. minimum 65 percent prize payout requirement,
  - b. 10 percent expense limitation, and
  - c. 18 years of age participation restriction.

<b>COUNTY/CITY LOTTERY (KENO)</b>	<b>Number of Licenses FYE 6/2006</b>	<b>Number of Licenses FYE 6/2007</b>
Organizations Licensed to Conduct Lotteries and Raffles	299	319
Lottery and Raffle Special Permits	373	248
Utilization of Funds Members*	1,064	1,048

\* Total Utilization of Funds Members for all licensed organizations (bingo, pickle cards, and/or lottery and raffle)

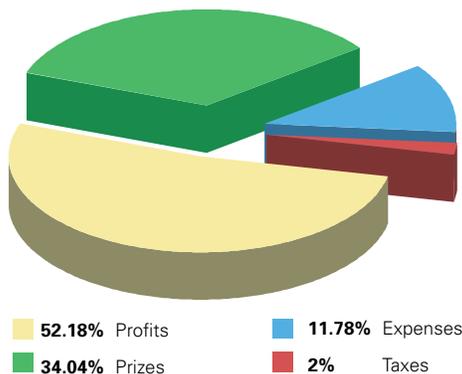
# Lottery and Raffle Gross Proceeds, Expense, Taxes, and Profit

Fiscal Years Ending June 2007 and June 2006

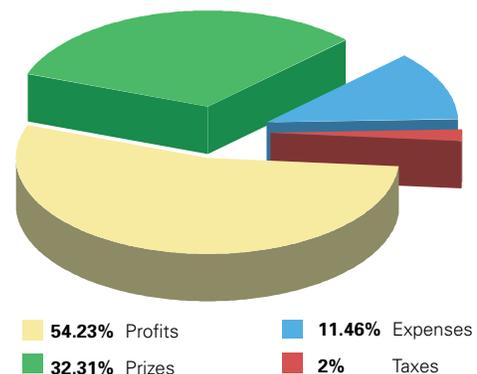
	FYE 6/2007	FYE 6/2006	Increase (Decrease)
Lottery Gross Proceeds	\$4,068,076	\$3,517,536	\$550,540
Raffle Gross Proceeds	<u>1,992,928</u>	<u>1,914,952</u>	<u>77,976</u>
<b>Total Gross Proceeds</b>	<b>\$6,061,004</b>	<b>\$5,432,488</b>	<b>\$628,516</b>
<b>Less:</b> Prizes	2,063,145	1,755,237	307,908
Expenses	714,031	622,563	91,468
Taxes	<u>121,218</u>	<u>108,650</u>	<u>12,568</u>
<b>Profit</b>	<b>\$3,162,610</b>	<b>\$2,946,038</b>	<b>\$216,572</b>

Actual prizes awarded equaled 56 percent of the total gross proceeds; however, of this 56 percent, 12 percent of the prizes were donated.

FYE 6/2007



FYE 6/2006



Lottery and Raffle Profits — 1998–2007

