

NAGRA NEWS

Summer 2005



Kathy Baertsch
NAGRA President
2005-2006

A Message From the President

After a few months as NAGRA President, I have to say that I am continually impressed with the talent and dedication of the members of this organization. In particular, the professionalism and leadership exhibited by presidents and board members, past and present, has been a great model for me and I want to thank you all.

It was apparent that the 2005 NAGRA conference in Halifax was a great success. The conference was well-attended and feedback from attendees on most of the topics and speakers, including the Saturday training opportunity, was very positive. I want to thank all those who came to the conference and participated in organizing topics and speakers. NAGRA will try and continue providing the Saturday training opportunity and conference topics that meet the needs of members.

During the conference the board noted the association had done well in meeting the objectives set out in the 2002-2003 Strategic Plan. Those objectives were, generally, to better meet the needs and expectations of members and trade affiliates, and to improve the association's financial

strength. A new plan to help set the direction for NAGRA in the next three to five years was needed. So, the Board of Directors and Committee Chairs established a new plan with the help of a facilitator in Halifax. Looking forward, our goals will continue to include improving the association's ability to meet members' needs, adding new members to strengthen the sharing of knowledge and information, and identifying opportunities to improve the efficiency and effectiveness of NAGRA's structure and operations.

The Board also adopted North American Gaming Regulators Association – "Standards Development and Approval Process." The new process will be used to update or create new standards for the association and is posted on the website.

Plans are underway for the 2006 NAGRA Conference to be held in Phoenix, Arizona. More information will be available on our Conference page, as it becomes available. Mark your calendar to attend the 2006 NAGRA Conference in Phoenix, Arizona June 11-14, 2006.

Please keep in mind the strength of our association is also the individual member who motivates and assists the Board and Committee Chairs. So, on behalf of the Board of Directors of NAGRA, I look forward to serving you this coming year and welcome your questions, suggestions, comments and, yes, any

volunteers. I would encourage all of our members to take an active role in NAGRA. Please feel free to contact me or any other board member or committee chair.

On a more somber note, the devastation of Hurricane Katrina and Rita is so immense that it is difficult to grasp - too big, too dramatic, and too tragic. Not since September 11, 2001, has this nation seen such destruction – or generosity of spirit. To those impacted by the hurricanes, including our members and their families, know that our thoughts and prayers are with you.

Kathy Baertsch
NAGRA President

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Where Are They Now?

Emile S. Bourgoyne, 1988 NAGRA President

Well, I never really left; I'm still here, just on what some jokingly refer to as the "dark side"! The truth is I can only wish that when I was a regulator I had taken the time to learn more about the manufacturing process and the issues involved. It would have made all of our jobs easier.

As NAGRA's president in 1988-1989, I was a Lieutenant with the Louisiana State Police, assigned as the founding director of the Charitable Gaming Division. This was the state's first venture into gaming regulation and licensing, later followed by video poker, truck stop casinos, riverboat casinos, Indian Casinos, and even a land-based casino in New Orleans. In 1985 the LA Legislature passed video bingo laws and gave the authority to register suppliers to the Attorney General's office and then turned around and passed another law the same day permitting pull tabs and gave the authority to register those suppliers to the state police. Regulation and enforcement (if there was any) of bingo was left up to local government. That is when Bill Faust (former NAGRA president from the Louisiana AG's office) and I got together to figure out how our two separate agencies should handle these regulatory problems. We both turned to NAGRA's resources to help our state to get a grip on a growing charitable gaming industry as well as prepare us for the wave of gaming to come.

As a result, we drafted and passed



legislation that created the State Police Charitable Gaming Division. This division had the responsibility to license, regulate, audit and enforce all aspects of charitable gaming. Later this division was expanded to handle video bingo from the AG's office, video poker, truck stops, Indian Casinos, etc as other forms of gaming were legalized.

In 1989, after my tenure as NAGRA's president, and after some very rough political battles with Louisiana politics and my position as Gaming Director (if you can imagine that happening in LA) I was offered a regulatory consulting and sales type job with International Gamco, Inc., a pull tab manufacturer out of Omaha, NE.

I retired from the state police in 1989 and have been with International Gamco since that time. All of us here at International Gamco are proud to be a Trade Affiliate of NAGRA in good standing! Like I said, I never left!

Having been to nearly every NAGRA conference since my first one in Seattle in 1985, except for

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Board of Directors

President (to 6/06;
Past Pres to 6/07)
Kathy Baertsch

Vice President (to 6/06; Pres to 6/07;
Past Pres to 6/08)
Kevin Mullally

Past President (to 06/06)
William "Billy" Atkins

Secretary (term ends 06/06)
Penny Taylor Moore

Treasurer (term ends 06/06)
Georgine Zalesky

Eastern US Regional Director
(term ends 06/06)
William Yorke

Midwestern US Regional Director
(term ends 6/06)
James Haynes

Western US Regional Director
(term ends 6/06)
Don Dutton

Canadian Regional Director
(term ends 6/06)
Rick Saville

Committee Chairs

Casino/Electronic Gaming
Kay Gaines
Arizona Dept. of Gaming

Charitable Gaming
Philip Sanderson
Texas Lottery Commission
Simone Syrenne
Manitoba Gaming Control

Indian Gaming
Norm DesRosiers
Viejas Tribal Gaming Commission

Internet Gaming
Michael Petersen
Michigan Lottery

Investigators
Charles Devenney
Manitoba Gaming Control Commission
Aaron Wong
California Division of Gambling Control

Past President Committee
Dale Fuga
Manitoba Gaming Control Commission

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last year's San Antonio Conference that I had to miss due to a family emergency, I have many fond memories of NAGRA conferences and the many close friends I have come to know through NAGRA over the years!

As I look back, I remember that as NAGRA's president, my wife Denise and I were honored to be guests of the CAGRA in Winnipeg. While we had a great time and met lots of friends with whom we still keep in touch today, I take pride in the fact that partly as a result of those efforts, NAGRA (The National Association of Gambling Regulatory Agencies) as it was known then, was transformed to become The North American Gaming Regulators Association – including membership to Canadian regulators!

On the lighter side, I also remember the parting gifts I received from the delegation from the Nebraska Department of Revenue at my final NAGRA conference as president. It's a long story, but the next time you see me feel free to ask me why they gave me a "Goober" Bourgoyne Phillips 66 shirt with state police patches on the sleeves, engraved silver tire gauge and also had their governor honor me as an Admiral in the Nebraska Navy!

As for the kids, my daughter Brandy graduated from Northwestern State University and has moved to Bloomington/Normal, Illinois and is working for State Farm insurance as a computer systems analyst. My son, Steven, is now a junior at La. Tech in Ruston, LA taking electrical engineering, and perhaps getting his minor in fraternity parties? Hopefully he's not a chip off the old block!

Denise and I keep busy in our spare time by running our cattle ranch in St. Landry Parish near the town of Krotz Springs, LA. We operate a cow/calf operation and are producers of certified Angus calves.

If ever you are in the area, or if I can be of any assistance, please give me a call. I would love to hear from you. I can be reached at 1-888-737-4725 or via email at EBourgoyne@AOL.COM. ■

Texas Charitable Allocations to Local Jurisdictions Rise

In Texas, 154 local jurisdictions received \$2.9 million from the conduct of Charitable Bingo during the second quarter of 2005, an increase of more than 11 percent over the first quarter.

Additionally, the Charitable Bingo Operations Division allocated \$3.3 million to the state's General Revenue Fund, which was also up by \$342,412 or 11 percent.

Allocations are the result of prize fees collected by Charitable Bingo organizations from players winning bingo prizes in April, May and June of this year. Cities and counties that imposed the gross receipt tax on a local-option basis on or before January 1, 1993, receive quarterly payments of up to 2.5 percent of the prizes won by Bingo players in their jurisdictions.

A 2.5 percent share of the prize fees also goes to the state, which is directed to a non-dedicated account in the General Revenue Fund.

Dallas County received the single largest allocation, \$211,354.06. The remaining top five counties are: Bexar County, \$159,506.23; Tarrant County, \$156,513.93; Harris County, \$130,366.10; and Hidalgo County, \$90,549.04.

The City of San Antonio received the highest allocation for a municipality, \$133,804.86. Dallas was next with \$96,014.77, followed by Fort Worth, \$90,586.34; Houston, \$70,644.73; and Austin, \$68,789.32.

There are 1,293 non-profit organizations conducting Charitable Bingo in Texas. Players won a total of \$155.3 million in prizes in the second quarter of 2005, with \$76.5 million of that from regular prizes and \$40.6 million from Instant Pull Tabs. ■

For more information about Charitable Bingo in Texas, please visit the official website at www.txbingo.com.

Regional News



*Jim Haynes,
Midwestern
Regional Director*

Midwestern Regional News

Charitable gaming activity in Nebraska continues to decline. For the recently completed fiscal year ending June 30, 2005, total dollars wagered on charitable gaming in Nebraska (bingo, pickle cards, lottery/raffle and keno) were approximately \$252 million. This is 3.1 percent less than the previous fiscal year and approximately 38 percent less than 1994-95 when the highest amount was wagered on charitable gaming in Nebraska (\$408 million).

Hardest hit has been the sale of pickle cards, which has experienced a 71 percent overall decline since 1994-95 when casino gaming was introduced in the neighboring State of Iowa. Local option lotteries (keno) conducted by counties, cities, and villages continued to be the highest grossing wagering activity with over \$182 million wagered in fiscal year 2004-2005.

We are experiencing similar declines in the number of licensees. For the 2005-07 license renewal period, 19 nonprofit organizations have indicated they are not renewing their gaming licenses. An additional 95 businesses which were previously licensed to sell pickle cards on behalf of licensed nonprofit organizations (pickle card operators) are not renewing their licenses. This represents over 8 percent of the total number of pickle card operators licensed for the 2003-05 licensing period. ■

**"ABILITY
MAY GET
YOU TO THE
TOP, BUT
IT TAKES
CHARACTER
TO KEEP
YOU
THERE."**

~John Wooden

On February 2, 2005, the Department of Interior issued a final decision on the Santee Sioux Nation's application for Class III gaming procedures in Nebraska. The Department determined that the application, which the Tribe submitted, included gaming activities which were not permitted in Nebraska for any purpose by any person, organization, or entity and, therefore, the Tribe's application was disapproved. This decision was the culmination of an administrative process, which commenced in 1999 with the submission of a proposal for Class III gaming procedures to the Department by the Santee Sioux Nation.

Informal conferences were subsequently held with the Department of Interior, the Nebraska Attorney General, and the Tribe with respect to the scope of Class III gaming which the Tribe may conduct in Nebraska. Since the rendering of the decision by the Department of Interior, the Santee Sioux Nation has filed a federal lawsuit in U.S. District Court in Omaha challenging the Department of Interior's decision. The State of Nebraska subsequently filed a motion to intervene as defendant to support the Department of Interior's decision and to assert a cross-claim challenging the validity of the Secretary of Interior's Class III gaming procedures.

The Santee Sioux Nation filed a brief with the Court opposing the State of Nebraska's motion to intervene. The State of Nebraska subsequently filed a reply brief in response to the Santee Sioux Nation's brief. The matter is pending. ■

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*Rick Saville,
Canadian
Regional Director*

Canadian Regional News

British Columbia

On July 25, 2005, the Auditor General of British Columbia issued a report to the legislature entitled Keeping the Decks Clean: Managing Gaming Integrity Risks in Casinos. Auditor General Wayne Strelieff concluded that the regulating agency, the Gaming Policy and Enforcement Branch (GPEB) of the Ministry of Public Safety and Solicitor General and the casino operator, the B.C. Lottery Corporation, are doing a good job of ensuring that error, criminal exploitation and employee dishonesty are minimized in the casino industry.

The report confirmed those involved in the industry meet high standards of integrity, gaming equipment operates fairly, gaming activities are conducted honestly and government is receiving the correct share of revenue.

Links to this report can be found on the GPEB site at www.pssg.gov.bc.ca/gaming/. ■

Alberta

The Alberta Gaming and Liquor Commission (AGLC) reports that three new casinos are under construction in the province. The sites are in Edmonton and Camrose, with the third site, a First Nations casino under construction on the Enoch Reserve near Edmonton. ■

Manitoba

The Manitoba Gaming Control Commission has recently conducted a reorganization of its gaming regulatory operations resulting in two new management appointments. Mr. Blair McCorrister is Director of Compliance and Ms. Kadri Irwin is Director of Gaming Integrity. ■

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**"OBSTACLES
ARE THOSE
FRIGHTFUL
THINGS YOU
SEE WHEN
YOU TAKE
YOUR EYES
OFF YOUR
GOAL."**

~Henry Ford

**Curious about what you missed at the
2005 Annual Conference?**

Or did you attend and want to refresh your memory?

Check out the Conferences link on our site, www.nagra.org, to review speaker presentations and see photos from the event. Thanks to all who attended, and if you weren't able to be there, we hope to see you next year!

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Don Dutton,
Western
Regional Director

Western Regional News

I am grateful for the opportunity to represent the Western District of NAGRA. In order to do an effective job, I want to hear your ideas on how to improve the value of NAGRA membership to you, individually as well as your organization. Please call or write to me with your comments, questions and suggestions. What services and products can NAGRA offer, which will be of value to you? Thank you in advance for your input and for your confidence in electing me to this important position.

New Mexico Governor Bill Richardson has appointed a task force to study the question of Problem/Compulsive Gambling in New Mexico. The task force is comprised of public members, regulators, health care professionals and industry representatives. New Mexico Licensees and Tribal Casinos are required to set aside and expend annually .25% of net win for Problem Gambling treatment, education, prevention and employee training. The final proposal will be presented to the Governor in October.

Since July 1, 2005, The New Mexico Gaming Control Board has been tasked by the NM Legislature with Bingo and Raffle jurisdiction. We are actively reviewing the present B & R rules, policies and regulations, to update where necessary as they have not been revised in a great many years.

Finally, The Governor has established a task force made up of legislators, industry representatives, public members, and racing and gaming regulators to determine if it is cost effective and reasonable to combine the NM Racing Commission and the NM Gaming Control Board into one Board and if so, what the new Board should look like. Interesting times!

In ending, please send me notes, articles, etc., on activities in your State(s) to include in future newsletters.

Thank you,

Don Dutton ■

**“WE ARE
MADE TO
PERSIST.
THAT'S HOW
WE FIND
OUT WHO
WE ARE.”**

~Tobias Wolff

GIVE



Victims of Hurricane Katrina are attempting to recover from the massive storm. American Red Cross volunteers have been deployed to the hardest hit areas of Katrina's destruction, supplying hundreds of thousands victims left homeless with critical necessities.

By making a financial gift to the Hurricane Katrina Relief operation, the Red Cross can provide shelter, food, counseling and other assistance to those in need. Call **1-800-HELP-NOW** or contribute online at www.redcross.org. Anything is appreciated. Thank you.

Charitable Bingo Operations Division Announces the Bingo Services Center

*By: Donna Precure Rose, MPA, Special Projects Assistant,
Charitable Bingo Operations Division, TX Lottery*

The Charitable Bingo Operations Division of the Texas Lottery Commission is pleased to announce the roll-out of the Bingo Services Center on September 1, 2005. The Bingo Services Center provides licensees access to a variety of licensing and financial information specific to their license. Additionally, the general public will be able to access information related to charitable bingo activity in Texas including a wide variety of different "State Wide Reports" and a "Bingo Hall Locator." Access to the Bingo Services Center requires a personal computer and Internet access through an Internet service provider. The link to the Bingo Services Center is located on our website at www.txbingo.org.

The "Bingo Hall Locator" provides robust search capabilities and allows the user to customize searches using a variety of search parameters. The available search parameters are:

- ◆ County
- ◆ City
- ◆ Zip
- ◆ Organization Name (complete or partial)
- ◆ Location Name (complete or partial)
- ◆ Day of the Week (allows user to select all days or one day)

Searches can be done using one or a combination of search parameters. For example, a search could be conducted for a playing location in a specific city, for organizations with a

certain word in their name, playing bingo on a specific day. This search could be expanded to include locations with a certain word in their name. In essence, the search parameters can be customized to suit the user. The report that results from the search provides the name of the licensed charitable organization(s) conducting bingo based upon the specified search parameters, the name, telephone number, street address, zip code, the days and times bingo is conducted at the location(s), and a link to a map that provides directions to the playing location(s).

The "State Wide Reports" feature provides a wide variety of reports that both licensees and the general public often request through the Texas Lottery Commission Open Records office. Individuals will now be able to access these reports online. All reports are available in a printer friendly format for printing on standard letter-size paper. In addition, we have included a "Download Full Report" option that allows the report to be downloaded and/or viewed in a csv (comma-delimited) document which can be viewed in any spreadsheet or database application, i.e., Excel, Lotus 1-2-3-, Access, etc.

NAGRA members interested in data on charitable bingo activities in Texas and individuals who research gaming trends should find the "Statewide Reports" section of the

Bingo Services Center a useful resource, as it provides information on the following: "State Wide Bingo Average Attendance" that displays attendance and spending data per individual licensed conductor organization; "Conductor Location/Address" that allows the user to search for locations where bingo is conducted and provides an address for the physical playing location and mailing address; "Conductor Quarterly Reports" displays financial activity of licensed conductor organizations; "Conductor Return Summary" displays aggregate financial activity for all licensed conductors; "Delinquent Purchasers" provides information on licensed organizations that have been reported to the Commission as being in default of payment terms as required by the Bingo Enabling Act; "State Wide Lessor Quarterly Report" displays financial activity per individual licensed lessor organizations; "State Wide Lessor Return Summary" displays aggregate financial activity for licensed lessor organizations; "State Wide Registry of Approved Workers" allows the user to search for individuals currently listed on the "Registry of Approved Bingo Workers"; "Manufacturer/Distributor Quarterly Report" allows users to view manufacturer and distributor financial activity per individual licensed organization; and "Manufacturer/Distributor Supplement Report" that displays quarterly sales activity by licensee.

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The Bingo Services Center will allow licensees 24-hour access to information specific to their organizations. Licensees are required to create a user profile and they have the ability to grant access to other individuals as they determine it will be of benefit to their organization.

Two examples of immediate benefit to licensees include greater access to information relating to temporary licenses and license amendments. In Texas, licensed conductor organizations that hold a regular (annual) license to conduct bingo may receive up to twelve temporary licenses during the twelve-month period following the issuance or renewal of the annual license. Temporary licenses allow organizations to play occasions in addition to those indicated on their annual license.

Many organizations use temporaries for festivals, special holiday events or to fill in bingo hall vacancies. The fee for each temporary license is \$25 and organizations can prepay for temporary licenses. Money received for temporary licenses is deposited into the organization's temporary license account. In the past licensees have had to call to determine if money was available in their temporary license account and/or if they had used all of their allotted temporary licenses for their twelve-month license period. Licensees can now access "Temporary License Account" information on the Bingo Services Center to determine if money is available in their account to pay for a temporary license and access "Temporary License Activity" on the Bingo Services Center to see how many temporary licenses are available to be used for the current license period.

In the case of license amendments, licensees are required to notify the Division in writing within ten working days of any change to information contained in a filed application regardless of whether the change is because information filed with the Commission has become inaccurate, or additions or deletions are necessary to reflect changes in the circumstances of the license. The fee for filing an amendment is \$10 and, as with temporary license application, organizations can prepay amendments fees. Money received for pre-paid amendments is deposited into the organization's amendment account. In the past licensees have also had to call to the Division to determine if money was available in their amendment account.

With the introduction of the Bingo Services Center, licensees will be able to access comprehensive information relating to their "Temporary License Account" and "Amendment Account Information" such as: current balance of the account, entry date of the payment, reason for the entry, i.e., payment received, temporary license or amendment issued; amount of payment; and amount of the license fee deducted from the account. The Bingo Services Center provides an on-line statement of these accounts, as well as a link to the appropriate temporary/amendment application in an interactive PDF format.

The Bingo Services Center also features a "Pending License Applications" report that provides licensees with information on the status of pending license applications such as: the license start date; the date the application was received by the Commission; the application type, i.e., temporary,

renewal, amendment, etc.; what examiner the application was assigned to; the current status of the application; and the date the license was issued. Should the "Pending License Applications" section not provide the licensee with the information they seek, it does provide them with the name of the individual with whom they need to speak when they call our office – which saves time for everyone involved.

The Charitable Bingo Operations Division of the Texas Lottery Commission is excited about offering these services to our licensees. Additionally, the Bingo Division invites all NAGRA members to review these new features. The Bingo Services Center is your resource for one stop shopping for comprehensive, current, user friendly information on charitable bingo in Texas that is available to you twenty-four hours a day, seven days a week. ■

The Charitable Bingo Operations Division launched a new service on our website, www.txbingo.org.

On the left side of our homepage you'll see three icons, Bingo Hall Locator, Bingo Services Center, and Statewide Financial Reports.

The Bingo Services Center icon is for licensees to access information specific to their organization. The other two icons are for public access.

If your time permits, I'd welcome you to visit the two public icons. We're very excited about being able to offer these services to our licensees and the general public.

Thanks for your interest.
Billy Atkins, Director