

Backus American Legion Post #368 Annual Charitable Gaming Report

BACKUS AMERICAN LEGION CHARITABLE GAMING PARTNERSHIP DONATES \$42,711 TO NON-PROFIT ORGANIZATIONS, COMMUNITY, EDUCATION, VETERANS AND YOUTH PROGRAMS IN 2019

Backus, Mn. – A strong economy, including a good tourism season, allowed the Backus American Legion Charitable Gaming Partnership to donate \$42,711 to charitable causes in 2019.

The partnership, including the Legion and its longtime gaming affiliate, Willard's Saloon and Eatery, also paid \$95,569 in state taxes and another \$16,005 in federal gaming revenue.

The chief local beneficiaries were education, youth athletics and recreation, food shelves, public safety, community festival and other nonprofit organizations, veterans, active duty military personnel and programs benefitting families with hardships.

The largest single recipient of funds was the state of Minnesota.

The charitable donations were down from the previous year's record total of \$79,372, chiefly because the partnership funded a special project in 2018, donating an all-time high single contribution of \$30,000 to buy new Jaws of Life equipment for the Backus Fire and Emergency Medical units which enables removing accident victims from vehicles more efficiently and safely. When that special donation is taken into consideration then the 2019 donation total is in line with what the post has donated in previous years. The Legion post and its Sons of the American Legion squadron donated \$2,000 in 2019 to the fire and rescue units following an annual fish fry fundraiser.

Other major donations included \$21,523 for education, youth athletics and recreations, Boys and Girls Scouting, including \$10,000 for ten Pine River-Backus school scholarships, \$1,038 the 4H State Fair Scholarship program, \$500 for the school's safe graduation party and \$500 for the popular summer season Hackensack Youth Fishing Contest. Children's' Easter, Halloween and Christmas holiday parties, sponsored by the Legion Auxiliary, received \$1,200 from the post.

Programs recognizing and supporting active military personnel and veterans, including memorials, the Auxiliary's Christmas gift boxes for active duty soldiers and a fishing outing co-sponsored by Tuck-A-Way Resort for veterans with emotional and physical problems, received \$2,689.

Post Gambling Manager Pete Williams predicts the post gaming program should have another strong year.

"We strive to manage a well-run and entertaining operation with the goal of maintaining public support that is so important to conducting successful charitable gaming that funds programs important to our area," Williams said.

"We are indeed grateful for the public's support of our program," said Legion Commander Bill Taylor, noting the partnership this year expects to reach \$1 million in total donations since 1991.

"We couldn't have achieved that without support of folks who recognize how important charitable gaming is to our area."

Statewide, chartable gambling sales increased for the ninth straight year, fueled by the increased popularity of electronic gaming, rising \$330 million from \$2 billion in fiscal year 2018 to \$2.3 billion in fiscal 2019. The State Gambling Control Board reported a fiscal year increase in electronic gaming of 65 percent over the previous year. Paper and electronic pull-tab made up 95 percent of sales but bingo, raffles and tip boards also increased for the 1,146 state licensed organizations gaming at 2,836 sites. Minnesota has the top charitable gaming program in the nation.

After an average 85 percent payout, organizations paid \$88.7 million in taxes, leaving \$85 million available for their charitable programs. Charities profited 3.6 cents for each dollar of sales, with state collecting 4.1 cents for each dollar wagered.

A major benefactor of charitable gaming is the new Vikings stadium, The Legislature required charitable gambling to pay \$498 million of the \$1.1 billion cost to cover the state's share – using the increased revenue from electronic gaming. Al Lund, director of Allied Charities of Minnesota, which represents the charitable gaming industry, notes the program has been so successful that there is now a \$36.9 million surplus in the stadium bond fund – expected to grow to \$250 million by 2023.

“Many think that paying the stadium off early is wise and I would normally agree with that,” Lund said when asked about the surplus. “But the trouble is that the reason there is so much money in the stadium fund is that the charities are being over taxed.” Lund would like the Legislature to provide the industry with tax relief so that local organizations have more funds to devote to their charitable causes.

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