



March 26, 2007

Mr. Jason E. Green
City Attorney
300 Sixth Street
Rapid City, SD 57701

HAND-DELIVERED

Re: Application to Conduct Limited Lottery during
Black Hills Symphony Orchestra's Fundraising Event

Dear Mr. Green:

Black Hills Symphony Orchestra Society, Inc., a South Dakota nonprofit corporation, requests permission to conduct a lottery at its annual fundraising event, *Is There a Doctor in the House?* on March 31, 2007. The entire net proceeds received from the lottery will be applied to support the Black Hills Symphony Orchestra. If permission is granted, persons attending the event will have an opportunity to purchase chances to win the following cash prizes: 1st Place: \$100; 2nd Place: \$50; and 3rd Place: \$25.

The following information is provided in accordance with SDCL 22-25-25(6) and Rapid City Ordinance 5.20.020:

- A. **The full legal name of the organization and place and date of incorporation or formation**
Black Hills Symphony Orchestra Society, Inc.; incorporated in South Dakota on August 19, 1977.
- B. **The authority and office held by the person applying on behalf of the organization**
President, with authority granted under the corporate bylaws
- C. **Mailing address of the organization and its principal place of business for the preceding 3 years**
Mailing address: PO Box 2246, Rapid City, SD 57709
Principal place of business: 1202 E. St. Francis St., Rapid City, SD 57701
- D. **The class of exemption describing the organization as follows:**
Local civic; educational
- E. **A statement of facts which establish that the applicant is an organization of the class indicated in subsection D. of this section, together with copies of applicable charters or other documents showing the bona fide nature of the organization and operation of the applicant**
Black Hills Symphony Orchestra Society, Inc., is a South Dakota nonprofit corporation in good standing, as reflected in the enclosed page from the South Dakota Secretary of State's web site and the enclosed copies of the relevant sections of the corporation's bylaws.

F. A description of the educational, charitable, patriotic, religious or other public spirited uses for which the entire net proceeds of any bingo game or lottery will be devoted

The entire net proceeds will be used to advance the stated mission of the Black Hills Symphony Orchestra "to provide the finest in orchestral performance and symphonic music education for the people of the Black Hills region," including the payment of expenses associated with orchestra performances.

G. The place(s) or location(s) the organization intends to conduct any bingo game or lottery

Rushmore Plaza Holiday Inn, Rapid City, South Dakota

H. A statement of the date(s) and time(s) the organization intends to conduct any bingo game or lottery at each of the location(s) stated in subsection G. of this section

March 31, 2007, between 6:00 PM - 9:00 PM

I. A list of all persons who shall conduct any bingo game or lottery or assist therein on behalf of the organization

Diana Cornford

J. A complete itemization of all intended compensation for any and all services rendered in connection with the conduct of any bingo game or in consideration of any lottery, except for bingo games and lotteries conducted in connection with county and state fairs or civic celebrations pursuant to SDCL § 22-25-25(4)

Not applicable. No compensation or other consideration will be remitted for services rendered in connection with the conduct of the lottery.

K. Certification, under oath by an authorized officer, director or agent of the organization, that the proceeds from any bingo game or lottery shall not inure to the benefit of any individual other than as provided by SDCL § 22-25-25(4) for compensation for services rendered

See enclosed affidavit of Paul Sedlacek, President of Black Hills Symphony Orchestra Society, Inc.

L. Certification under oath by an authorized officer, director or agent of the organization of any of the following conditions shall exempt the organization from compliance with the additional requirements contained in subsections M. through P. of this section:

1. That the organization will not conduct more than 2 bingo sessions and/or lotteries within 1 year of authorization;
2. That the aggregate of the proceeds from more than 2 bingo sessions and/or lotteries conducted by the organization within 1 year of authorization will not exceed \$75,000; or
3. That conduct of any bingo game or lottery at location(s) off the premises of the principal place of business of the applicant organization, or at a separate eligible organization, will meet the conditions set forth in subsection L.1. or 2. of this section.

See enclosed affidavit of Paul Sedlacek, President of Black Hills Symphony Orchestra Society, Inc.

M. A complete itemization of intended prizes, the value thereof, and the manner and time of award

One First Place cash prize	\$100.00
One Second Place cash prize	\$ 50.00
One Third Place cash prize	\$ 25.00

- N. Each person listed in subsection I. of this section shall submit additional information as the Rapid City Police Department may reasonably request with respect to their identity and personal history, together with fingerprints and a recent photograph meeting police specification**

Any additional information requested by the Rapid City Police Department will be promptly provided. in accordance with this section.

- O. The method of bookkeeping shall be described and the books shall be intended to accurately and fairly reflect each day's transactions including, but not limited to handling of lottery tickets or pull tabs at off-premises locations, expenses and all other transactions involving bingo or lottery funds necessary so as to permit preparation of daily financial statements in conformity with generally accepted accounting principles and to maintain daily accountability. In the event the common Council authorizes an organization to conduct any bingo game or lottery, the organization shall provide monthly written reports to the city's Finance Officer no later than the fifteenth day of each month for the preceding month's operation. The reports shall indicate monthly gross proceeds, prizes paid, expenses incurred and total net profit. An annual report shall also be provided no later than April 1 indicating specifically the amounts, place(s) and purpose(s) of each and every disbursement of every manner of the gross proceeds, net proceeds, expenses and profits for the preceding 12 months of operation;**

Net proceeds received from the lottery will be deposited by a single transaction into the corporation's checking account at Wells Fargo Bank and will be reflected in the corporation's financial statements prepared in conformity with generally accepted accounting principles.

The corporation is exempt under Section L above from providing a monthly written report to the city Finance Officer.

- P. 1. A copy of any off-premises lease, rental or other contract between any other organization or establishment and the applicant organization shall be submitted for off-premises pull tab sales which lease, rental or other compensation shall not exceed \$150 per month per location.**

Not applicable.

- 2. The place(s) or location(s) identified in subsection G. of this section for any off-premises pull tab sales not exempt pursuant to subsection L. of this section, shall be limited to establishments having an on-sale liquor license, not to exceed 2 such locations at the same time within the city. The conduct of any pull tab sales at such an on-sale liquor establishment shall be clearly designated to customers by signage as to the identification of the organization conducting the lottery.**

Not applicable.

- 3. With respect to such locations, any pull tab sales conducted thereon shall be at times to coincide with the hours that alcoholic beverages may be dispensed in accordance with applicable law.**

Not applicable.

- 4. Any person engaged in conducting such an off-premises pull tab sale shall be 21 years of age or older and shall be required to wear a photo-identification badge or card conspicuously displayed on his or her person at all times while conducting the off-premises pull tab sale or assisting therein on behalf of the organization. The badge or card shall meet police specifications and shall be obtained at the organization's expense. No person conducting such an off-premises pull tab sale shall consume alcoholic beverages while so engaged, nor shall the person allow any other person under 21 years of age to purchase pull tabs.**

Not applicable.