



COUNCIL AGENDA MEMO

ITEM NO. IV - #6

FROM: *Brian Schultz, Director of Finance*

MEETING: *September 23, 2025*

SUBJECT: *Special Community Betterment Grant Program*

PRESENTER: *No Presenter – Consent Agenda*

Discussion:

On June 24, 2025 the City Council accepted the Big Red Keno proposal to be the next Keno Operator for the City of Kearney. As part of the proposal acceptance, a \$200,000 donation was gifted to the City of Kearney. On August 26, 2025 a Public Hearing was conducted and City Council approved the acceptance of the Keno Progressive Jackpot Funds in the amount of \$16,453.08 as part of the Keno Operator cutover.

It was determined that City staff and the Keno Application Advisory Committee work together to find an appropriate use for these unique pots of money that were received. On August 19, 2025 a meeting was had where potential program parameters were discussed. The attached resolution was the final product of that discussion and below are some of the highlights.

- Applications will be available as soon as possible upon Council approval and must be received by 11:00 a.m. on October 31, 2025.
- City staff plans on additional advertising via press release and social media of the program
- The definition and examples of Community Betterment Purposes have been included in the resolution.
- No more than \$25,000 shall be awarded to any single private or public not-for-profit organization.
- The total amount of disbursed funds will not exceed \$216,000.
- Priority will be given to projects which demonstrate a significant impact to the community and are for one-time capital purchases or to support programming needs.
- City staff and the Keno Application Advisory Committee will recommend and City Council will approve grants in November 2025

Fiscal Note:

Funding for the City of Kearney Keno Community Betterment Grant Program includes any special contribution to the Community Betterment Funds that are **NOT** the gross proceeds generated by the Lottery Operator after reductions for prizes, and commissions paid to the Lottery Operator or the interest earned on the fund balance of the Lottery Trust Fund.

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Recommended Action:

Staff recommends the approval of the attached resolution setting forth the rules and regulations for the Special Community Betterment Grant Program.

RESOLUTION NO. 2025-112

WHEREAS, on September 23, 2025, the City Council and Administration of the City of Kearney wish to establish a process for distributing special contributions to the Lottery Trust Fund for Community Betterment purposes; and

WHEREAS, the City Council and Administration of the City of Kearney intend to fulfill their duty to reasonably manage, preserve, and expend any special funds derived from special contributions, and have determined that certain rules and regulations should be adopted and established relative to the City of Kearney Keno Community Betterment Grant Program.

NOW, THEREFORE, BE IT RESOLVED by the President and City Council of the City of Kearney, Nebraska that the following rules and regulations are hereby authorized relative to the City of Kearney Keno Community Betterment Grant Program:

FUNDING SOURCE

Funding for the City of Kearney Keno Community Betterment Grant Program includes any special contribution to the Community Betterment Funds that are **NOT** the gross proceeds generated by the Lottery Operator after reductions for prizes, and commissions paid to the Lottery Operator or the interest earned on the fund balance of the Lottery Trust Fund.

SPECIAL COMMUNITY BETTERMENT DISTRIBUTIONS

Special Community Betterment Fund Grants (Grants) will be awarded within a reasonable amount of time following receipt into the Lottery Trust Fund for all Community Betterment Projects recommended by the Keno Application Advisory Committee and approved by the City Council. The Grants shall be disbursed to private or public not-for-profit organizations located within the City of Kearney and the organizations shall use the Grants only for Community Betterment Purposes as defined in Section 9-604 of the Nebraska Revised Statutes. The specific timing of grant applications and award notifications will be made on a circumstantial basis as special contributions are received in the Lottery Trust Fund.

COMMUNITY BETTERMENT PURPOSES

- 1.) Community Betterment Purposes shall mean the use of lottery proceeds in the following manner:
 - a.) Enhancing a person's opportunity for educational advancement.
Examples include contributing to the operation of a school; or establishing or contributing to a scholarship fund.
 - b.) Relieving or protecting individuals from disease, suffering, or distress.
Examples include purchasing food or clothing for the needy; or helping to provide medical care for individuals in need.
 - c.) Contributing to the physical well being of individuals.
Examples include donations to foster athletic activities; or building, improving, or maintaining parks or recreation facilities; or sponsoring amateur athletic leagues or programs.
 - d.) Assisting individuals in establishing themselves as worthy and useful citizens by providing educational or business opportunities.
Examples include contributing to training programs designed to provide individuals with job skills; or aiding handicapped people in making contributions to the community.
 - e.) Providing individuals with opportunities to contribute to the betterment of the community.
Examples include initiating cleanup or beautification projects.
 - f.) Increasing the comprehension and devotion to the principles upon which this nation was founded.
Examples include sponsoring civic events to make individuals more aware of the history of the United States, State of Nebraska, or other civic institutions of principles.
 - g.) Initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures.
Examples include contributing to building fund; or donations to fund parks or recreation areas.

- h.) Lessening the burdens borne by government or voluntarily supporting, augmenting, or supplementing services which government would normally render to the people.

Examples include paying for housing, food, or medical services for needy people; or aiding the elderly; or contributing to the general fund of the city.

- i.) Providing tax relief for the city.

Examples include funding any programs or needs which would normally be paid for by taxes imposed upon the community.

- j.) Proceeds derived from the conduct of the lottery shall not be used for any political activity.

Examples include lobbying, or participating in or contributing to any political campaign on behalf of any elected official or person who is or has been a candidate for public office.

PASSED AND APPROVED THIS 23RD DAY OF SEPTEMBER, 2025.

ATTEST:

**JONATHAN NIKKILA
PRESIDENT OF THE COUNCIL
AND EX-OFFICIO MAYOR**

**PEGGY EYNETICH
CITY CLERK**