



Minnesota Gambling Control Board

GAMING NEWS

July/August/September 2016

Director's Column

Tom Barrett, Executive Director

Board Members:

William Goede, Chair (Plainview)

Committee: Executive

Geno Fragnito, Vice Chair (Woodbury)

Committees: Legislative; Rules

William Gillespie, Secretary (St. Paul)

Committees: Executive; Legislative (chair); CRG

Norm Pint (New Prague)

Committees: Executive; CRG (chair)

James Nardone (Grand Rapids)

Committee: Rules (chair)

Kenneth Koch (Eagan)

Committees: Legislative

Beth Pinkney (Woodbury)

Committees: CRG; Rules

Monthly Board meetings are open to the public and are held at:

**Gambling Control Board
Suite 300 South
1711 W. County Road B
Roseville, MN**

Meetings start at 10:00 a.m.

Upcoming meetings:
Monday, September 19, 2016
Monday, October 17, 2016
Friday, November 18, 2016*
Monday, December 19, 2016

* Rochester

Meetings are subject to change.
For the latest schedule and agenda go to www.mn.gov/gcb.

The *Gaming News* is published quarterly. Current and previous issues are available on our website, www.mn.gov/gcb.

Record Year for Charitable Gambling

FY 2016 (ending June 30) has not officially been closed but every indication shows this will be a record year in terms of sales for the charitable gambling industry. The Board is projecting over \$1.5 billion dollars in gross sales from all forms of charitable gambling (pull-tabs, bingo, raffles, tipboards and paddlewheels). With \$1.5 billion in sales, Minnesota remains the No. 1 state in the U.S. for charitable gambling activity.

- FY 2016 will mark the 6th year in a row for increased sales with a 13% increase from the previous fiscal year and a 53% increase since FY 2010.
- All forms of charitable gambling are showing increased activity including electronic pull-tab sales.
- Pull-tabs (paper and electronic) make up the bulk of total sales with an estimated 93% of the \$1.5 billion. Bar bingo is also gaining in popularity in bar locations.
- There are approximately 2,700 sales locations in Minnesota (primarily bars and veteran posts).
- While the industry has been slow to step in, sites offering electronic games increased. On June 30, 2016, there were 440 bars (16% of total sites) with electronic pull-tabs. By August 15, that number rose to 490.
- For FY 2016, gross sales from electronic pull-tabs are projected to reach nearly \$90 million for the year. Electronic pull-tab sales increased by 273% since last fiscal year. At the top ten grossing sites, the actual sales are much higher than original projections.
- Paper pull-tab manufacturers have also increased their sales and marketing efforts, rolling out an average of 500 new games each month.
- With increased sales comes increased prizes paid to players and, more importantly, funding for charitable programs.
- On average, the prize payout for charitable gambling in Minnesota is 83%. That leaves 17% of gross receipts for taxes, expenses, and charitable contributions.
- Based on projected gross receipts of \$1.5 billion, the Board is projecting \$250 million in net receipts for FY 2016.
- It is estimated that funds available for charitable contributions will be approximately \$70 million in Minnesota. These funds benefit veterans programs and youth activities, such as youth hockey and soccer, as well as other civic groups and outdoor activities, such as snowmobile trails and environmental programs.

Congratulations on another good year!

Continuing Education Classes

September 2016 Topic:
New Statutes and Rules

9/14/16 7:00 pm	Quality Inn, Room A 1060 Hwy 32 South, Thief River Falls
9/20/16 7:00 pm	Hampton Inn, Meeting Room 4225 9th Avenue West, Hibbing
9/20/16 7:00 pm	South Central College, Conf. Center A 1920 Lee Boulevard, North Mankato
9/21/16 2:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
9/21/16 7:00 pm	Best Western Kelly Inn Congress/Senate Room 100 4th Ave. South, St. Cloud
9/22/16 7:00 pm	The Plaza Hotel & Suites Rosewood II Room 1025 Highway 61 East, Winona
9/27/16 7:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville

October 2016 Topic:
Electronic Pull-Tabs & Electronic Bingo

10/17/16 7:00 pm	Best Western Kelly Inn University B Room 100 4th Ave. South, St. Cloud
10/18/16 7:00 pm	AmericInn Lodge & Suites Whitney A & B 1406 East Lyon Street, Marshall
10/19/16 7:00 pm	South Central College, Conf. Center A 1920 Lee Boulevard, North Mankato
10/19/16 7:00 pm	Kahler Apache (formerly Ramada Inn) Grand C Room 1517 16th Street SW, Rochester
10/19/16 7:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
10/20/16 2:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
10/20/16 7:00 pm	AmericInn Lodge & Suites Fergus & Falls Room 526 Western Avenue, Fergus Falls
10/25/16 7:00 pm	Cloquet Forestry Center, Auditorium 175 University Road, Cloquet

December 2016 Topic:
Common Problems Found During Compliance Reviews

12/5/16 2:00 pm	Best Western Kelly Inn University A Room 100 4th Ave. South, St. Cloud
12/7/16 10:00 am	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
12/7/16 2:00 pm	AmericInn Lodge & Suites Fergus & Falls Room 526 Western Avenue, Fergus Falls
12/7/16 2:00 pm	Hampton Inn Meeting Room 4225 9th Avenue West, Hibbing
12/7/16 2:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
12/8/16 2:00 pm	South Central College Conference Center A 1920 Lee Boulevard, North Mankato
12/29/16 10:00 am	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
12/29/16 2:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville
12/29/16 7:00 pm	Gambling Control Board Suite 300 South (use south doors) 1711 W. County Road B, Roseville

Attention Gambling Managers - Annual Continuing Education Requirement Change

As of August 1, only 237 gambling managers out of 1,162 have completed their continuing education requirements for calendar year 2016. That means there are 925 gambling managers who still need to fulfill their annual education requirements.

The gambling manager's examination has been discontinued for those who do not fulfill the education requirements in a calendar year. It's expected that the citation amount issued to those not attending a continuing education class will increase from last year.

Plan accordingly, and don't wait until the last minute! Remember, no preregistration is required and classes are free and open to all (CEOs, too!).

Congratulations!

Congratulations to the following organizations and sites with the highest gross receipts in FY16

Form of gambling	ORGANIZATIONS	SITES
	with the Highest Gross Receipts for FY 2016	with the Highest Gross Receipts for FY 2016
Bingo	St. Katherine Ukrainian Orthodox Church, Arden Hills - \$4,146,740	Pot O' Gold Bingo, Arden Hills - \$4,146,740
Electronic linked bingo	St. Cloud Youth Hockey Association - \$260,216	Phat Pheasant Pub, Windom - \$155,381
Paper pull-tabs	Merrick, Inc., Vadnais Heights - \$16,257,905	Bunny's Bar and Grill, St. Louis Park - \$7,805,030
Electronic pull-tabs	Granite City Lumberjacks, Sauk Rapids - \$5,469,943	Mully's on Madison, Mankato - \$2,322,248
Tipboards	Gaylord Fire Department Relief Association - \$504,962	Neison's Bar, Gaylord - \$504,962
Raffles	Ted Williams Museum and Hitters Hall of Fame, Hernando, FL - \$978,971	Target Field, Minneapolis - \$855,718
Paddlewheel (no table)	Merrick, Inc., Vadnais Heights - \$258,090	Monte's, Spring Lake Park - \$121,680
Paddlewheel (with table)	Spring Lake Park Lions Club - \$1,040,985	Monte's, Spring Lake Park - \$961,460

Congratulations to these organizations making the ten largest single charitable contributions in FY16

Contributing Organization	Amount
Eagan Hockey Association	\$400,000
Osseo Maple Grove Hockey Association	\$176,206
CHOPS Inc., Minneapolis	\$175,000
Rochester Juvenile Hockey Association	\$130,000
Andover Huskies Youth Hockey Association	\$130,000
Eastview Hockey Association, Apple Valley	\$130,000
Italian American Club Foundation, Minneapolis	\$120,000
Rochester Juvenile Hockey Association	\$110,000
Cuyuna Firemen's Relief Association	\$103,000
Hopkins Youth Hockey Association	\$102,000

Congratulations to these organizations with annual receipts of less than \$100,000 with the ten highest charitable contribution totals in FY16

Contributing Organization	Amount
Ducks Unlimited Frozen North Chapter 271, Garrison	\$63,192
Duelm Area Lions Club, Clear Lake	\$62,533
Nelson Community Association	\$60,000
Medford Fire Relief Association	\$56,650
Red Lake Falls Blue Line Club	\$56,266
Chatfield Athletics Club	\$51,088
Scandia Marine Lions Club	\$49,434
Club Almar Sports, Inc., St. Cloud	\$48,825
St. Clair Fire Relief Association	\$47,519
Knights of Columbus Council 1575, Fairmont	\$47,203

LG209 No Longer Required to be Filed With the Board

Because of a 2016 law change, the LG209 Registration of Gambling Employee form is no longer required to be filed with the Gambling Control Board. Instead, organizations are required to use the government-required I-9 form for each paid gambling employee, and to keep that form with its records for 3-1/2 years. A link to the form can be found on our website at www.mn.gov/gcb.

Please note: Because of legislative changes, several forms have been updated. The forms to use are the forms linked on our website. Several are fill-in forms (which you may fill in on screen and print out). You may also still print a blank form and fill it out by hand. But if you keep a "master" in a file to copy from, be sure to print the most current version for your file. Better yet, always print the form off of the website. That way, you'll always use the most current form.

LG510 CY15 10% Contribution Fund, When Mandated by Ordinance

As established by ordinance, a city or county (not a township) may require an organization to contribute up to 10% per year of net profits to a fund that the city or county administers.

- The 10% requirement may only be applied to net profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction.
- Organizations must make 10% fund checks payable to the city requiring the funds, and not to any other payee.
- The city or county may only spend the funds for charitable contributions (Minn. Stat. 349.12, subd. 7a), or for police, fire, and other emergency or public safety-related services, equipment, and training.
- The fund may not be used for the payment of pension obligations or general government functions.
- A licensed organization that contributes to the 10% fund may not be a beneficiary of the fund.
- A city or county that has a 10% fund must submit a report to the Gambling Control Board by March 15 each year.
 - √ In calendar year 2015, 120 cities required fund contributions up to 10% as mandated by their city's ordinance.
 - √ A total of \$1,330,256.27 was contributed to cities under the "required" contribution allowance.
 - √ A balance of \$2,071,770.54 was reported for future distribution.

City	Percent	CY14 Balance	Interest	Collected	Spent	CY15 Balance
Alexandria	10%	\$0.00	\$0.00	\$58,053.33	\$85,408.85	\$0.00
Andover	10%	\$56,869.45	\$796.25	\$40,455.87	\$18,792.00	\$79,329.57
Annandale	0%	\$5,871.69	\$62.74	\$2,038.70	\$0.00	\$7,973.13
Arden Hills	10%	\$0.00	\$0.00	\$24,213.24	\$24,213.24	\$0.00
Aurora	10%	\$1,185.12	\$0.00	\$6,927.17	\$5,450.00	\$2,662.29
Barnum	10%	\$1,014.75	\$0.00	\$1,265.21	\$2,162.63	\$117.33
Battle Lake	10%	\$0.00	\$0.00	\$769.91	\$769.91	\$0.00
Bayport	0%	\$88,630.48	\$0.00	\$10,258.89	\$0.00	\$98,889.37
Belle Plaine	10%	\$3,245.54	\$0.00	\$12,938.06	\$7,088.68	\$9,094.92
Bigelow	0%	\$6,118.90		CY15 report not received		\$6,118.90
Bigfork	10%	\$3,361.82	\$0.00	\$5,602.80	\$230.00	\$8,734.62
Blaine	10%	\$126,694.12	\$1,286.21	\$129,675.61	\$127,250.00	\$130,405.94
Bovey	10%	\$44.03	\$0.00	\$396.05	\$200.00	\$240.08
Bricelyn	10%	\$1,176.03	\$0.00	\$279.78	\$0.00	\$1,455.81
Brownsville	10%	\$0.00	\$0.00	\$2,638.08	\$3,632.38	\$0.00
Byron	10%	\$0.00	\$0.00	\$5,724.40	\$5,724.40	\$0.00
Carlton	10%	\$11,806.63	\$37.72	\$17,504.76	\$8,575.00	\$20,774.11
Chanhassen	10%	\$47,396.40	\$432.33	\$39,619.88	\$49,080.51	\$38,368.10
Chisago City	10%	\$10,070.10	\$213.03	\$9,841.26	\$7,528.23	\$12,596.16
Cloquet	1%	\$0.00	\$0.00	\$12,952.28	\$12,952.28	\$0.00
Cold Spring	10%	\$89,207.99	\$2,854.74	\$9,079.63	\$25,850.28	\$75,292.08
Columbus	10%	\$8,322.56	\$33.19	\$10,145.06	\$6,000.00	\$12,500.81
Coon Rapids	5%	\$17,097.48	\$601.64	\$38,843.22	\$34,958.90	\$21,583.44
Cottage Grove	0%	\$14,299.98	\$104.69	\$0.00	\$5,000.00	\$9,404.67
Cromwell	10%	\$535.98	\$0.00	\$866.36	\$700.00	\$702.34
Crystal	10%	\$444.65	\$0.00	\$34,230.80	\$34,675.45	\$0.00
Darwin	10%	\$0.00	\$0.00	\$1,702.93	\$1,702.93	\$0.00
Delavan	10%	\$10,571.29	\$0.00	\$2,999.40	\$1,550.00	\$12,020.69
Dennison	10%	\$0.00	\$0.00	\$214.87	\$548.50	\$105.53
Duluth	5%	\$23,661.00	\$228.00	\$7,873.00	\$0.00	\$31,762.00
Dundas	10%	\$0.00	\$0.00	\$5,063.95	\$5,063.95	\$0.00
Eden Prairie	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Effie	10%	\$641.46	\$0.00	\$2,279.59	\$2,279.59	\$0.00
Elgin	10%	\$0.00	\$0.00	\$5,585.08	\$0.00	\$5,585.08
Elko/New Market	5%	\$5,296.51		CY15 report not received		\$5,296.51
Evansville	10%	\$0.00	\$0.00	\$5,174.27	\$5,174.27	\$0.00
Eveleth	10%	\$24,831.81	\$0.00	\$8,725.64	\$2,700.00	\$30,857.45
Eyota	10%	\$30,115.05	\$16.52	\$5,702.73	\$13,816.00	\$22,018.30
Faribault	5%	\$64,991.52	\$843.22	\$22,306.02	\$24,324.00	\$63,816.76
Floodwood	10%	\$144.71		CY15 report not received		\$144.71
Garfield	10%	\$0.00	\$0.00	\$2,317.89	\$2,317.89	\$0.00
Gem Lake	10%	\$3,109.30	\$0.00	\$3,890.06	\$3,000.00	\$3,999.36
Ghent	10%	\$0.00	\$0.00	\$2,686.70	\$2,686.70	\$0.00
Glencoe	10%	\$838.97	\$0.56	\$0.00	\$839.53	\$0.00
Golden Valley	10%	\$5,057.41	\$959.82	\$36,081.83	\$42,819.06	\$0.00
Gully	10%	\$11,256.96	\$12.70	\$3,801.06	\$0.00	\$15,070.72
Ham Lake	10%	\$37,067.28	\$165.42	\$15,017.67	\$30,000.00	\$22,250.37
Hampton	10%	\$0.00	\$0.00	\$1,297.83	\$1,297.83	\$0.00
Hanska	10%	\$4,329.86	\$0.00	\$1,832.68	\$0.00	\$6,162.54
Hawley	10%	\$6,477.63	\$3.27	\$0.00	\$0.00	\$6,480.90
Hewitt	10%	\$183.29	\$0.38	\$1,604.74	\$1,050.00	\$738.41
Hibbing	10%	\$0.00		CY15 report not received		\$0.00

GAMING NEWS, July/August/September 2016

City	Percent	CY14 Balance	Interest	Collected	Spent	CY15 Balance
Hokah	0%	\$0.00	\$0.00	\$3,077.60	\$0.00	\$3,077.60
Hollandale	10%	\$0.00	\$0.00	\$897.17	\$897.17	\$0.00
Independence	10%	\$0.00		CY15 report not received		\$0.00
Kasota	10%	\$2,913.00	\$0.00	\$2,603.00	\$0.00	\$5,516.00
Kerkhoven	10%	\$878.07	\$3.16	\$0.00	\$0.00	\$881.23
Kettle River	10%	\$479.11	\$0.00	\$627.01	\$1,058.12	\$48.00
Kilkenny	10%	\$5,659.05	\$0.00	\$3,899.08	\$5,659.05	\$3,899.08
Lakeland	10%	\$1,296.56	\$0.00	\$5,738.82	\$0.00	\$7,035.38
Lakeland Shores	10%	\$5.38	\$0.00	\$0.00	\$0.00	\$5.38
LaPrairie	10%	\$0.00	\$0.00	\$65.00	\$1,760.00	\$0.00
Lexington	10%	\$49,361.36	\$0.00	\$14,169.89	\$0.00	\$63,531.25
Lilydale	10%	\$0.00	\$0.00	\$8,764.74	\$8,764.74	\$0.00
Little Canada	10%	\$89,751.55	\$2,246.14	\$37,455.00	\$22,927.50	\$106,525.19
Long Beach	10%	\$0.00	\$0.00	\$6,529.01	\$0.00	\$6,529.01
Long Lake	10%	\$3,028.52	\$25.00	\$2,429.96	\$1,685.92	\$3,797.56
Madison Lake	10%	\$1,159.93		CY15 report not received		\$1,159.93
Mahtomedi	10%	\$14,449.44	\$375.04	\$13,193.50	\$0.00	\$28,017.98
Maple Grove	10%	\$233,004.16	\$4,981.95	\$79,168.00	\$0.00	\$317,154.11
Mapleview	10%	\$10,207.71	\$3.47	\$3,766.59	\$0.00	\$13,977.77
Maplewood	10%	\$23,426.64	\$0.00	\$25,799.00	\$28,609.58	\$20,616.06
Mayer	10%	\$0.00	\$0.00	\$5,020.00	\$6,780.00	\$0.00
Mendota	10%	\$0.00	\$0.00	\$4,971.64	\$4,971.64	\$0.00
Milaca	10%	\$17,159.00	\$271.00	\$19,003.00	\$13,123.00	\$23,310.00
Millerville	10%	\$19,381.44	\$0.00	\$3,459.00	\$1,804.98	\$21,035.46
Minneapolis	10%	\$86,732.82	\$0.00	\$29,613.20	\$86,484.60	\$29,861.42
Mountain Iron	10%	\$7,480.50	\$7.46	\$6,169.50	\$5,450.00	\$8,207.46
Myrtle	10%	\$6,998.00	\$0.00	\$4,580.10	\$4,128.66	\$7,449.44
New Hope	10%	\$0.00	\$0.00	\$4,866.82	\$4,866.82	\$0.00
Newport	10%	\$0.00	\$0.00	\$6,517.07	\$6,517.07	\$0.00
North Mankato	10%	\$0.00	\$0.00	\$17,666.98	\$15,000.00	\$2,666.98
Oak Grove	10%	\$12,208.08	\$120.61	\$3,847.73	\$0.00	\$16,176.42
Oakdale	10%	\$43,046.13		CY15 report not received		\$43,046.13
Otsego	10%	\$0.00	\$0.00	\$2,074.34	\$2,074.34	\$0.00
Plymouth	10%	\$0.00	\$158.35	\$36,587.40	\$36,745.75	\$0.00
Proctor	10%	\$12,299.59		CY15 report not received		\$12,299.59
Ramsey	5%	\$149,440.35	\$1,654.12	\$50,015.16	\$105,606.00	\$95,503.63
Randolph	0%	\$0.00	\$0.00	\$2,002.11	\$2,002.11	\$0.00
Rockford	10%	\$0.00	\$0.00	\$18,000.00	\$16,410.00	\$1,590.00
Rose Creek	10%	\$5,830.68	\$5.07	\$1,237.00	\$0.00	\$7,072.75
Roseville	10%	\$7,499.34	\$0.00	\$88,320.12	\$80,000.00	\$15,819.46
Scanlon	10%	\$6,562.41	\$15.47	\$3,350.34	\$0.00	\$9,928.22
Sedan	10%	\$1,678.76		CY15 report not received		\$1,678.76
Shafer	5%	\$7,930.39	\$25.87	\$24,265.06	\$0.00	\$32,221.32
Sherburn	10%	\$2,717.35	\$0.00	\$3,089.11	\$1,750.00	\$4,056.46
Shoreview	10%	\$0.00	\$0.00	\$974.91	\$974.91	\$0.00
Spicer	1%	\$23,737.00	\$63.00	\$2,769.00	\$0.00	\$26,569.00
Spring Valley	10%	\$5,170.50	\$15.49	\$8,423.86	\$0.00	\$13,609.85
St. Francis	10%	\$27,906.10	\$260.69	\$14,716.96	\$9,438.97	\$33,444.78
St. Louis Park	10%	\$0.00	\$0.00	\$1,408.95	\$0.00	\$1,408.95
St. Martin	10%	\$727.43	\$0.00	\$2,334.20	\$3,013.49	\$48.14
St. Michael	10%	\$0.00	\$0.00	\$9,931.90	\$9,931.90	\$0.00
St. Paul	10%	\$3,118.14	\$229.81	\$13,843.60	\$0.00	\$17,191.55
Stockton	10%	\$6.00	\$0.00	\$2,250.00	\$6,750.00	\$0.00
Taylors Falls	10%	\$1,056.43	\$1.00	\$108.81	\$948.12	\$218.12
Tower	10%	\$0.00	\$0.00	\$3,019.49	\$3,019.49	\$0.00
Utica	10%	\$0.00	\$0.00	\$1,525.00	\$18,142.00	\$0.00
Vadnais Heights	10%	\$60,886.70	\$0.00	\$18,432.41	\$13,147.50	\$66,171.61
Vergas	10%	\$5,186.12	\$0.00	\$7,416.80	\$7,750.00	\$4,852.92
Victoria	10%	\$108,810.00	\$900.00	\$13,904.00	\$0.00	\$123,614.00
Wahkon	10%	\$4,907.96	\$0.00	\$5,568.42	\$9,596.11	\$880.27
Waite Park	10%	\$36,088.31	\$42.88	\$42,166.16	\$29,964.08	\$48,333.27
Waterville	10%	\$0.00	\$0.00	\$2,512.96	\$2,512.96	\$0.00
Waverly	10%	\$0.00	\$0.00	\$3,461.40	\$3,461.40	\$0.00
Wilton	10%	\$129.25		CY15 report not received		\$129.25
Winnebago	10%	\$2,989.30	\$0.00	\$2,875.64	\$4,143.07	\$1,721.87
Winona	10%	\$0.00	\$0.00	\$2,250.00	\$2,250.00	\$0.00
Winsted	5%	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$0.00
Wyoming	10%	\$52,200.87	\$0.00	\$12,044.46	\$6,916.40	\$57,328.93
TOTALS		\$1,878,464.06	\$20,058.01	\$1,330,256.27	\$1,210,091.90	\$2,071,770.54

Compliance Review Group (CRG) Report

The CRG, a committee of the Gambling Control Board, meets with licensees to conduct informal inquiries into alleged violations of lawful gambling statutes/rules. This information is a condensed report of recently completed CRG conferences. Penalties imposed are based on specific and unique information reviewed for each licensee.

Chatfield Athletic Club, Chatfield, License 03071

The organization failed to conduct lawful gambling on a cash basis, in advance of any play; failed to maintain internal controls sufficient to protect the integrity of its lawful gambling; and conducted lawful gambling without the sufficient supervision of a licensed gambling manager.

Consent Order Requirements:

- \$500 fine.
- File Corrective Action Plan.
- Premises permit for Coyote Club, Inc., revoked for two years.

Parkway Little League Baseball, St. Paul, License 36230

The organization failed to pay or appeal a \$50 citation within 30 days.

Consent Order Requirements:

- \$100 fine.

Citation Report

Citation amounts for similar violations may vary depending on unique circumstances and information, and are issued on a case-by-case basis.

- **Hill City Lions Club**, License 04089. Inaccurately reported the value of unsold tickets and prizes paid on the Schedule B2. \$450 citation.
- **Glencoe Lions Club**, License 02235. Filed inaccurate reports with the Board and failed to reconcile its gambling fund balance with its profit carryover. \$400 citation.
- **Aitkin Lions Club**, License 01694. Failed to comply with Board requests for information. \$400 citation.
- **White Bear Lake Area Hockey**, License 03111. Failed to timely provide documentation to the Board. \$350 citation.
- **White Bear Lake Area Hockey**, License 03111. Failed to retain required video coverage (repeat violation). \$200 citation.
- **New Germany Fire Relief Association**, License 02238. Premises inspection violations. \$150 citation.
- **New Ulm Youth Wrestling Association**, License 07195. Changes in application information not submitted to the Board within ten days (repeat violation). \$150 citation.
- **Belgrade Lions Club**, License 01784. Failed to file Lawful Gambling Reports LG100A, LG100C, and LG100F with the Board (November 2015). \$150 citation.
- **Belgrade Lions Club**, License 01784. Failed to file Lawful Gambling Reports LG100A, LG100C, and LG100F with the Board (October 2015). \$100 citation.
- **American Legion Post 303, Fridley**, License 00001. Failed to retain required video coverage. \$150 citation.
- **American Legion Post 361 Denham, Willow River**, License 02277. Winning redeemed pull-tabs not defaced. \$100 citation.
- **American Legion Post 1776, Apple Valley**, License 00694. Electronic payments not authorized by two active members. \$100 citation.
- **Hamburg Hunting and Fishing Club**, License 35324. Gambling was conducted without obtaining an exempt permit and exceeded annual prize value limit. \$100 citation.

The following organizations issued checks not signed by two active members:

- **Spring Grove Commercial Club**, License 01744; \$100 citation.
- **Coon Lake Community and Senior Center, Wyoming**, License 03403; \$50 citation.
- **Remer Fire Relief Association**, License 03598; \$50 citation.
- **Baudette Area Arena**, License 03248; \$50 citation.
- **Eagan High School Football Booster Club**, License 05759; \$50 citation.
- **Parkway Little League Baseball, Inc., St. Paul**, License 36230; \$50 citation.

LG500 CY15 3% Regulatory Tax for City or County Costs

Under Minnesota Statutes, section 349.213, subdivision 3, a city or county may impose a local gambling tax on each licensed organization within the city's or county's jurisdiction, only if they do not charge an investigation fee or other local taxes on lawful gambling. A township may not impose a local gambling tax. The tax, up to 3% of net receipts per year, may be imposed only if the amount is necessary to cover the costs to regulate lawful gambling in their jurisdiction. A city or county may not use money collected for any purpose other than to regulate lawful gambling.

Clerks and finance officers, mark your calendars. Cities or counties imposing a tax under section 349.213 must report to the Gambling Control Board annually by March 15 showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax. The required report is the city's or county's responsibility; reminders are not sent.

Cities or counties are required to share all documents pertaining to the 3% tax (site inspections, fines, penalties, or other corrective action involving local lawful gambling regulation) with the Gambling Control Board within 30 days.

Is Your City or County Listed Below?

If your organization contributed up to 3% to your city or county for local lawful gambling regulation in calendar year 2015, the city or county should be listed below. If it is not listed, please notify the Gambling Control Board, 651-539-1900.

The cities reporting in calendar year 2015 and the amounts collected, spent, refunded, and balances are:

City	Percent	CY14 Balance	Interest	Collected	Spent	Refunds	CY15 Balance
Andover	1.00%	\$0.00	\$0.00	\$1,340.66	\$1,340.66	\$0.00	\$0.00
Austin	0.50%	\$933.74	\$0.00	\$3,135.38	\$3,639.93	\$0.00	\$429.19
Bloomington	0.25%	\$34,770.41	\$0.00	\$8,331.58	\$1,236.90	\$0.00	\$41,865.09
Bock	3.00%	\$0.00	\$0.00	\$1,086.78	\$0.00	\$0.00	\$1,086.78
Columbus	2.00%	\$2,105.53	\$0.00	\$3,802.10	\$860.00	\$0.00	\$5,047.63
Duluth	3.00%	\$0.00	\$0.00	\$59,453.51	\$172,489.00	\$0.00	\$0.00
East Bethel	3.00%	\$0.00	\$0.00	\$25,198.81	\$25,198.81	\$0.00	\$0.00
Eden Prairie	3.00%	\$21,814.17	\$0.00	\$0.00	\$0.00	\$0.00	\$21,814.17
Fridley	3.00%	\$0.00	\$0.00	\$63,565.06	\$125,636.52	\$0.00	\$0.00
Jackson	1.00%	\$0.00	\$0.00	\$485.23	\$485.23	\$0.00	\$0.00
Lilydale	3.00%	\$2,475.21	\$0.00	\$2,683.99	\$2,100.00	\$0.00	\$3,059.20
Lino Lakes	0.10%	\$0.00	\$0.00	\$1,012.42	\$1,012.42	\$0.00	\$0.00
Mankato	3.00%	\$96,419.28	\$482.10	\$70,730.32	\$20,686.73	\$0.00	\$146,944.97
Maple Grove	0.50%	\$16,104.23	\$0.00	\$12,537.00	\$6,573.72	\$0.00	\$22,067.51
Mendota	2.00%	\$11,940.48	\$0.00	\$7,229.85	\$5,927.03	\$0.00	\$13,243.30
Minneapolis	3.00%	\$170,599.39	\$0.00	\$186,863.02	\$84,573.36	\$0.00	\$272,889.05
North Mankato	3.00%	\$0.00	\$0.00	\$23,680.83	\$23,680.83	\$0.00	\$0.00
Owatonna	3.00%	\$398.64	\$0.00	\$4,500.00	\$4,439.06	\$0.00	\$459.58
Plymouth	3.00%	\$13,399.63	\$193.55	\$0.00	\$0.00	\$0.00	\$13,593.18
Roseville	3.00%	\$89,183.17	\$0.00	\$83,879.08	\$56,155.60	\$0.00	\$116,906.65
Shoreview	3.00%	\$0.00	\$0.00	\$2,430.03	\$9,165.47	\$0.00	\$0.00
Spring Lake Park	3.00%	\$0.00	\$0.00	\$39,287.93	\$32,206.01	\$7,081.92	\$0.00
St. Louis Park	3.00%	\$2,669.59	\$0.00	\$12,613.51	\$10,693.75	\$0.00	\$4,589.35
St. Paul	2.50%	\$171,885.07	\$0.00	\$156,502.90	\$121,360.45	\$0.00	\$207,027.52
Waterville	3.00%	\$0.00	\$0.00	\$6,667.61	\$6,667.61	\$0.00	\$0.00
White Bear Lake	2.00%	\$384.00	\$0.00	\$45,629.00	\$45,997.00	\$0.00	\$16.00
Worthington	3.00%	\$0.00	\$0.00	\$5,554.68	\$5,554.68	\$0.00	\$0.00
TOTALS		\$634,679.61	\$675.65	\$828,201.28	\$767,680.77	\$7,081.92	\$688,793.85

Rules

New Rules Effective August 15, 2016

Following is a brief summary of some of the new rules effective August 15, 2016:

- Raffle boards, bingo boards, and multiple chance games are defined, and standards are outlined for these games. For organizations, conduct requirements are contained in the rules.
- Gambling managers who do not attend a continuing education class during the calendar year will no longer be able to take a test in January; a citation will be issued for those not attending class during the calendar year.
- Organizations may now purchase raffle tickets in bulk while maintaining number sequence for tracking.
- For paddlewheels, a third person no longer is required to verify the cash count.
- Electronics standards are updated.

- Added to records and reports for which organizations are required to verify accuracy are the monthly reports filed with the Board (LG100A - lawful gambling receipts and expenses by site, LG100C - lawful purpose expenditures, and LG100F - lawful gambling fund reconciliation).
- Organizations no longer have to file an LG209 (registration of lawful gambling employee). Instead, new law requires organizations to use the U.S. government-required form I-9 which must be kept in the organization's records for 3-1/2 years.

For a complete summary, go to www.mn.gov/gcb.

Join us for a continuing education class on the new rules! Classes are scheduled in several locations across the state in September. Preregistration is not required to attend, and classes are free and open to the public. See page 2 for details.

State offices will be closed on September 5; November 11, 24, and 25; and December 26, 2016.

Trends in Lawful Gambling Gross Receipts

NOTE: Figures for the current calendar year are subject to change due to amended, corrected, or late tax returns.

	Calendar Year 2016	% Change from 2015	Calendar Year 2015	% Change from 2014	Calendar Year 2014
January	\$125,499,270	11.4%	\$112,620,188	16.9%	\$96,311,012
February	\$129,411,140	16.2%	\$111,330,121	15.8%	\$96,133,463
March	\$141,627,037	11.2%	\$127,305,824	8.6%	\$117,276,302
April	\$139,953,883	16.2%	\$120,470,829	11.0%	\$108,505,995
May	\$133,882,541	9.9%	\$121,832,038	15.7%	\$105,309,209
June	\$126,780,229	13.2%	\$111,947,518	11.6%	\$100,342,863
July			\$116,526,066	13.4%	\$102,740,059
August			\$121,278,082	14.1%	\$106,332,839
September			\$117,577,508	12.0%	\$105,008,478
October			\$128,120,338	13.0%	\$113,331,522
November			\$123,013,726	16.2%	\$105,837,706
December			\$126,365,502	12.2%	\$112,611,439
YTD Total	\$797,154,101	13.0%	\$1,438,387,740	13.3%	\$1,269,740,887

Totals as of 8/15/16

Gambling Control Board www.mn.gov/gcb
 Roseville..... 651-539-1900
 St. Peter 507-931-5112
 Hibbing..... 218-262-7301
 Fergus Falls 218-739-7402

Dept. of Revenue ... www.revenue.state.mn.us/businesses/lawful_gambling
 Lawful Gambling Tax Unit..... 651-297-1772
 Email: lawfulgambling.taxes@state.mn.us

Department of Public Safety www.dps.mn.gov
 Alcohol & Gambling Enforcement 651-201-7500, ext. 3

Internal Revenue Service
 Forms..... 1-800-829-1040
 Questions 651-312-7716

Minnesota's Bookstore www.comm.media.state.mn.us
 651-297-3000; 1-800-657-3757

Minnesota Problem Gambling Helpline... www.getgamblinghelp.com... 1-800-333-HOPE