

MINNESOTA GAMBLING CONTROL BOARD

MEETING MINUTES

October 21, 2024

Vice Chair Jim Nardone called the monthly meeting of the Minnesota Gambling Control Board to order on Monday, October 21, 2024, at 9:59 a.m., at the Gambling Control Board Office, 1711 West County Road B, Suite 300S, Roseville, MN 55113.

Members Present: Jim Nardone, Mike Sundin, Kate Luthner, Doug Forsman, and Al deJesus.
Members Excused: Janet Lorenzo
Members Absent: Bill English
Also Present: Laura Wade, Executive Director; Leah Hedman, Assistant Attorney General; Brett Mckeever, Enforcement Manager; Steve Pedersen, Regulation Manager.

1. Approval of Agenda

Mike Sundin moved to approve the agenda. Doug Forsman seconded the motion; the motion carried.

2. Approval of Minutes

Jim Nardone moved to approve the September 16, 2024, meeting minutes. Jim Nardone also seconded the motion; the motion carried.

3. Chair's Comments

Vice Chair Jim Nardone stated he was filling in for Chair Janet Lorenzo who was not present. Noted the wonderful fall weather.

4. Director's Report

- Industry Update
 - Gross receipts for July were just over \$400 million and gross receipts for August totaled nearly \$420 million. Early numbers for September are also look strong.
- Organization Annual Reports
 - Organization annual reports are currently being sent out to organizations. The organization annual report provides a year-end summary of the organization's receipts, expenses, and lawful purpose expenditures. It also tells organizations whether they've met the 30% minimum for lawful purpose expenditures.
 - For FY24, thirty-five organizations did not spend at least 30% of their net receipts on lawful purposes and are now on probation for FY25. This is down a little from previous years – usually about 50 organizations don't meet the minimum. Being on probation isn't a sanction. It's just a warning to the organization that it needs to increase its lawful purpose spending to at least 30% in this current year. If they don't, then the organization would be subject to sanctions at this time next year.
 - Only one organization that was on probation from last year didn't make the 30% again in FY24. Depending on the circumstances, that organization may be issued a citation.
- Agency Annual Report
 - The agency's annual report will be finished in the next few weeks and will be available for the Board's review prior to the November Board meeting.
- Continuing Education
 - In-person continuing education classes will be offered in early December in Mankato, Roseville, St. Cloud, Hibbing, and Fergus Falls. We'll also be teaching a class in Thief River Falls on October 30. Information on these classes will be posted on the website and emailed to gambling managers.
- Budget
 - Under budget, nothing to report.
- Staffing
 - We posted for a Staff Attorney 1 position here which closes tonight, so we'll be doing interviews probably next week for this.

5. Committee Reports

CRG (Compliance Review Group) Committee said they have been busy with 5 meetings so far this year involving 9 organizations. 4 have been resolved.

6. Public Comment

None.

7. Old Business

None.

8. TRANSFER OF GAMBLING FUNDS TO ORGANIZATION ACCOUNT

Exhibit A: Doug Forsman moved to approve the requests contained in Exhibit A. Al deJesus seconded the motion; the motion carried.

Exhibit B: None.

9. PROPERTY AND CAPITAL ASSET EXPENDITURE REQUESTS (LG269)

Exhibit C: Mike Sundin moved to approve the requests contained in Exhibit C. Kate Luthner seconded the motion; the motion carried.

Exhibit D: None.

Fire or Other Catastrophe (LG262)

Exhibit E: None.

Exhibit F: None.

Eminent Domain (LG263)

Exhibit G: None.

Exhibit H: None.

Exclusively Used for LPE (LG266)

Exhibit I: Kate Luthner moved to approve the requests contained in Exhibit I. Doug Forsman seconded the motion; the motion carried.

Exhibit J: None.

10. CONTRIBUTION OF GAMBLING FUNDS TO ANOTHER LICENSED GAMBLING ORGANIZATION (LG270)

Exhibit K: Mike Sundin moved to approve the requests contained in Exhibit K. Kate Luthner seconded the motion; the motion carried.

Exhibit L: None.

11. FUND LOSS REQUESTS (PROFIT CARRYOVER ADJUSTMENT) (LG250)

Exhibit M: Kate Luthner moved to approve the requests contained in Exhibit M. Mike Sundin seconded the motion; the motion carried.

Exhibit N: Doug Forsman moved to deny the requests contained in Exhibit N. Kate Luthner seconded the motion; the motion carried.

12. ADA REPLACEMENT BUILDING (LG268)

Exhibit O: None.

Exhibit P: None.

13. LICENSE TERMINATION PLANS (LG204)

Exhibit Q: Mike Sundin moved to approve the requests contained in Exhibit Q. Kate Luthner seconded the motion; the motion carried.

Exhibit R: None.

14. MANUFACTURERS' GAMES

Exhibit S: Kate Luthner moved to approve the requests contained in Exhibit S. Doug Forsman seconded the motion; the motion carried.

Exhibit T: None.

15. APPLICATION FOR A LICENSE

Manufacturer License Renewal/Linked Bingo Game Provider License/Method of Sale or Transfer of Electronic Games to Distributors:

Exhibit U: Doug Forsman moved to approve the requests contained in Exhibit U. Mike Sundin seconded the motion; the motion carried.

Exhibit V: None.

Distributor License Renewal/Method of Sale or Transfer of Electronic Games to Organizations:

Exhibit U2: None.

Exhibit V2: None.

16. RULE VARIANCE REQUEST

Exhibit W: None.

Exhibit X: None.

17. REQUEST FOR ALTERNATIVE METHOD SELECTING RAFFLE WINNERS

Exhibit Y: None.

Exhibit Z: None.

18. New Business


None.

19. Next Meeting Announcement

Vice Chair Nardone announced that the November board meeting will be off-site on Friday, November 22nd at 11:15 am at the Mayo Civic Center, located at 30 Civic Center Drive SE Rochester, MN 55904.

20. Adjournment

The Vice Chair adjourned the meeting at 10:23 a.m.



Mike Sundin, Secretary