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## MEETING AGENDA

April 21, 2025 - 10:00 a.m.

1. **Approval of Agenda**
2. **Approval of Minutes**
3. **Chair's Comments**
4. **Director's Report**
5. **Committee Reports**
6. **Public Comment**
7. **Old Business**
  - **License 02228**, Eagan Lions Club, Eagan. Letter re: denied fund loss. Letter received requesting reconsideration of a denied fund loss request.
8. **TRANSFER OF GAMBLING FUNDS TO ORGANIZATION ACCOUNT:** Minnesota Rule, part 7861.0320, subp 4E. "Gambling funds may not be transferred to the organization's general bank accounts for any expenditures or contributions without Board approval."
  - Exhibit A: Recommend approval:
    - **License 01190**, American Legion Post 560, Zimmerman, \$38.26, Gambling tax paid out of wrong account.
    - **License 02698**, Gibbon Fire and Rescue3 Relief Assoc, Gibbon, \$5,000, Repay start-up loan.
  - Exhibit B: Recommend denial – None.
9. **PROPERTY AND CAPITAL ASSET EXPENDITURE REQUESTS (LG269):** Minnesota Statute § 349.12, subd 25(a)(22). An expenditure for the repair, maintenance, or improvement of real property and capital assets owned by an organization, or for the replacement of a capital asset that can no longer be repaired, with a fiscal year limit of five percent of gross profits from the previous fiscal year, with no carry forward of unused allowances. The fiscal year is July 1 through June 30. Total expenditures for the fiscal year may not exceed the limit unless the board has specifically approved the expenditures that exceed the limit due to extenuating circumstances beyond the organization's control. An expansion of a building or bar-related expenditures are not allowed under this provision (i) The expenditure must be related to the portion of the real property or capital asset that must be made available for use free of any charge to other nonprofit organizations, community groups, service groups, or is used for the organization's primary mission or headquarters. (ii) An expenditure may be made to bring an existing building that the organization owns into compliance with the Americans with Disabilities Act. Definition of Capital Assets. Minnesota Statute § 349.12, subd 7. "Capital assets" means property,

real or personal, except gambling equipment, with an expected useful life of at least two years and a minimum value of \$2,000." For the amount that will exceed annual limit allowed due to extenuating circumstances for the repair, maintenance, or improvement of real property or capital assets owned by an organization and used by other organizations:

Exhibit C: Recommend approval:

- **License 02865**, American Legion Post 368, Backus, \$26,388.41. Improvements to community meeting room.
- **License 01373**, American Legion Post 328, St. Joseph, \$2,950. Replace water softener.

Exhibit D: Recommend denial – None.

**Fire or Other Catastrophe** – For a building owned by the organization that was destroyed or made uninhabitable by fire or other catastrophe (LG262):

Exhibit E: Recommend approval – None.

Exhibit F: Recommend denial – None.

**Eminent Domain** - For replacement of a building taken or sold under eminent domain proceeding (LG263):

Exhibit G: Recommend approval – None.

Exhibit H: Recommend denial – None.

**10. Exclusively Used for LPE (LG266):** Acquisition or improvement of capital assets or acquisition, erection, expansion, or improvement of real property owned by an organization, that will be used exclusively for lawful purpose as defined in Minnesota Statute § 349.12, subd. 25(a):

Exhibit I: Recommend approval:

- **License 34918**, Crookston Firefighters Association, Crookston, \$5,000. Purchase fire equipment.
- **License 92996**, Bagley Youth Hockey Association, Bagley, \$4,722.76. Purchase floor scrubber for youth hockey arena.
- **License 92996**, Bagley Youth Hockey Association, Bagley, \$7,654. Purchase seating for youth hockey arena.
- **License 92996**, Bagley Youth Hockey Association, Bagley, \$26,200. Improvements to youth arena including a new main entry door and door canopies.
- **License 02926**, Anoka Area Ice Arena Assoc, Anoka, \$78,467. Restroom remodel to meet ADA standards.
- **License 01955**, Elrosa Baseball Club, Elrosa, \$159,510.41. Improvements to youth ballpark.
- **License 02333**, North Country Snowmobile Club, Bemidji, \$8,100. Purchase mower used to maintain public trails. (Signed by DNR.)

**DIRECTOR: Delegated Approval Request for Acquisition or improvement of capital assets or acquisition, erection, expansion, or improvement of real property that will be used exclusively for Lawful Purpose (LG266) – None.**

Exhibit J: Recommend denial – None.

**11. CONTRIBUTION OF GAMBLING FUNDS TO ANOTHER LICENSED GAMBLING ORGANIZATION**

**(LG270):** Minnesota Statute § 349.12, subd 25(a)(20) A contribution by a licensed organization to another licensed organization with prior board approval, with the contribution designated to be used for one or more of the follow lawful purposes under this section: clauses (1) to (7), (11) to (15), (19), and (25).

Exhibit K: Recommend approval:

FROM: **License 01625**, Palisade Fire Department Relief Assoc, Palisade, \$15,000. Used to maintain grant-in-aid or open to the public trails. (Signed by DNR.)

TO: **License 04458**, Palisade Super Sledders, Palisade.

FROM: **License 01825**, Monticello Lions Club, Monticello, \$1,000. A contribution to a 501 (c)(3) organization. (Camperships)

TO: **License 00691**, Confidence Learning Center, East Gull Lake.

FROM: **License 03272**, West Metro Fire Rescue District Firefighters Relief, Crystal, \$2,500. A contribution to a 501 (c)(3) organization. (Transitional Care Center)

TO: **License 94335**, Firefighters for Healing, Champlain.

FROM: **License 01142**, Knights of Columbus Council 889, Faribault, \$534.35. A donation to the church. (Repair Nativity Scene.)

TO: **License 01632**, Divine Mercy Catholic Church, Faribault.

FROM: **License 00794**, American Legion Post 117, Thief River Falls, \$1,250. A contribution to facilities or activities for youth. (Youth Hockey.)

TO: **License 02008**, Thief River Falls Amateur Hockey Assoc, Thief River Falls.

FROM: **License 01142**, Knights of Columbus Council 889, Faribault, \$1,250. A contribution to facilities or activities for youth. (Post prom expenses.)

TO: **License 01795**, Bethlehem Academy Corporation, Faribault.

FROM: **License 00359**, Eagles Aerie 1163, Cloquet, \$5,000. A contribution to a 501 (c)(3) organization. (Camperships)

TO: **License 00691**, Confidence Learning Center, East Gull Lake.

FROM: **License 01826**, McGregor Lions Club, McGregor, \$1,000. A contribution to a 501 (c)(3) organization. (Camperships)

TO: **License 00691**, Confidence Learning Center, East Gull Lake.

FROM: **License 00385**, VFW Post 1642, Waseca, \$1,000. A contribution to a 501 (c)(3) organization.

TO: **License 33569**, Waseca Sleigh and Cutter Festival Association, Inc., Waseca.

FROM: **License 00404**, VFW Post 2793, Thief River Falls, \$2,500. A contribution to facilities or activities for youth. (Youth Hockey.)

TO: **License 02008**, Thief River Falls Amateur Hockey Assoc., Thief River Falls.

FROM: **License 00185**, VFW Post 425, Hopkins, \$1,500. A contribution to facilities or activities for youth. (Youth Hockey.)

TO: **License 05448**, Orono Hockey Boosters, Inc., Maple Plain.

**Executive Director: Delegated Approvals for Request to Contribute Gambling Funds to Another Licensed Gambling Organization (LG270):**

FROM: **License 00107**, Moose Lodge 963, Maplewood, \$500. A contribution to a 501 (c)(3) organization. (Youth Bowling.)

TO: **License 02650**, Community Charities of Minnesota, Mankato.

FROM: **License 00548**, Eagles Aerie 2342, Detroit Lakes, \$300. A contribution to a 501 (c)(3) organization. (Camperships)

TO: **License 00691**, Confidence Learning Center, East Gull Lake.

FROM: **License 02539**, Optimist Club of St. Cloud, St. Cloud, \$30. A contribution to facilities or activities for youth. (Youth Soccer.)

TO: **License 94712**, Central Minnesota Youth Soccer Association, St. Cloud.

FROM: **License 01717**, Jasper Lions Club, Jasper, \$100. A contribution to a 501 (c)(3) organization. (Camperships)

TO: **License 00691**, Confidence Learning Center, East Gull Lake.

FROM: **License 01076**, St. Hilaire Community Club, St. Hilaire, \$274.50. A contribution to facilities or activities for youth. (Youth Hockey.)

TO: **License 02008**, Thief River Falls Amateur Hockey Assoc., Thief River Falls.

FROM: **License 01076**, St. Hilaire Community Club, St. Hilaire, \$321.50. A contribution to facilities or activities for youth. (Youth Hockey.)

TO: **License 02008**, Thief River Falls Amateur Hockey Assoc., Thief River Falls.

Exhibit L: Recommend denial – None.

- 12. FUND LOSS REQUESTS (PROFIT CARRYOVER ADJUSTMENT) (LG250):** Minnesota Rule, 7861.0320 ORGANIZATION OPERATIONS, ACCOUNTS, AND REPORTS. Subp. 9. Fund loss report or request for a profit carryover adjustment due to fund loss. When an organization has a fund loss by questionable means of its inventory or cash, the organization must use the following procedures. A. The organization must file a report with local law enforcement authorities within:(1) five days of discovering the loss: or (2)24 hours of discovering a loss from a pull-tab dispensing device. B. The organization must submit one of the following to the board within 60 days of discovering the loss:(1) documentation that its gambling account was reimbursed for the amount of the fund loss from a source of nongambling funds and the date the loss was reported to the organization's membership; or (2)a request for a profit carryover

adjustment due to a fund loss. If the organization does not submit the request within 60 days of discovering the loss, the board will not consider the request. E. If the board denies a request for a profit carryover adjustment due to a fund loss, the organization must reimburse its gambling account for the amount of the fund loss. The organization must submit proof of reimbursement to the board within 90 days of the board's final determination.

Exhibit M: Recommend approval:

- **License 02297-010**, Hopkins Raspberry Assoc, Hopkins, \$3,772.80. Loss due to fire.
- **License 02126-015**, Swanville Lions Club, Swanville, \$9,587. Burglary.

Exhibit N: Recommend denial:

- **License 02126-015**, Swanville Lions Club, Swanville, \$16,181.50. Burglary. Denied due to lack of security over cash and inventory within the premises and the origination failed to maintain adequate safeguards over its gambling funds.
- **License 02126-015**, Swanville Lions Club, Swanville, \$11,805.20. Theft. Denied due to Internal control procedures were not satisfactory, the organization failed to maintain and use internal control procedures that provide accountability over its cash assets at all times, lack of security over cash and inventory within the premises.

**13. ADA REPLACEMENT BUILDING (LG268): To apply approved amount for the repair, maintenance, or improvement of real property toward a placement building that is ADA compliant:** Minnesota Statute § 349.12, subd 25(a)(22)(ii)(iii)(ii) An expenditure may be made to bring an existing building that the organization owns into compliance with the Americans with Disabilities Act.(iii) An organization may apply the amount that is allowed under item (ii) to the erection or acquisition of a replacement building that is in compliance with the Americans with Disabilities Act if the board has specifically approved the amount. The cost of the erection or acquisition of a replacement building may not be made from gambling proceeds, except for the portion allowed under this item.

Exhibit O: Recommend approval – None.

Exhibit P: Recommend denial – None.

**14. LICENSE TERMINATION PLANS (LG204):** Minnesota Statute § 349.19, subd 8 Upon termination of a license for any reason, a licensed organization must notify the board in writing within 30 calendar days of the license termination date of its plan for disposal of registered gambling equipment and distribution of remaining gambling proceeds. Before implementation, a plan must be approved by the board as provided in board rule. The board may accept or reject a plan and order submission of a new plan or amend a proposed plan. The board may specify a time for submission of new or amended plans or for completion of an accepted plan.

Exhibit Q: Recommend approval:

- **License 02698**, Gibbon Fire and Rescue3 Relief Assoc, Gibbon, \$6,399.87. Terminating due to no Gambling Manager.

Exhibit R: Recommend denial – None.

**15. MANUFACTURERS' GAMES:**

Exhibit S: Recommend approval – **Attached.**

Exhibit T: Recommend denial – None.

**16. APPLICATION FOR A LICENSE:**

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

Exhibit U: Recommend approval - None.

Exhibit V: Recommend denial – None.

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

Exhibit U2: Recommend approval:

- **License DI172**, Next Generation Gaming, LLC, Moorhead, MN.

Exhibit V2: Recommend denial – None.

**17. RULE VARIANCE REQUEST:**

Exhibit W: Recommended approval – None.

Exhibit X: Recommended denial – None.

**18. REQUEST FOR ALTERNATIVE METHOD SELECTING RAFFLE WINNERS:**

Exhibit Y: Recommend approval – None.

Exhibit Z: Recommend denial – None.

**19. New Business:**

**20. Next Meeting Announcement:**

- Monday, May 19, 2025, at 10:00 a.m. Meeting will be held at the Minnesota Gambling Control Board, Roseville.

**21. Adjournment**