
MEETING AGENDA

July 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 03626**, Rochester Juvenile Hockey Assoc, Rochester. Citation Appeal.

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 95493**, Waite Park Babe Ruth, Inc., Waite Park, \$5,000. Repay start-up loan.
- **License 92837**, Donnelly Firefighters Relief Association, Donnelly, 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 00163**, Moose Lodge 1400, Waite Park, \$66,137. Repairs to Club bathrooms to bring to ADA standard.
- **License 00648**, American Legion Post 465, Brewster, \$8,200. Replace the sidewalk at the Legion Post.
- **License 00375**, VFW Post 7902, Osakis, \$71,875. Replace hazardous parking lot at Post.

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 02926**, Anoka Area Ice Arena Assoc., Anoka, \$47,525. Remove and replace seating in youth hockey arena.
- **License 02926**, Anoka Area Ice Arena Assoc., Anoka, \$86,153. Exterior renovation of youth hockey arena.
- **License 02926**, Anoka Area Ice Arena Assoc., Anoka, \$11,295. Install rubber flooring in youth hockey arena restrooms.
- **License 92996**, Bagley Youth Hockey Association, Bagley, \$108,768. New boards and glass for youth hockey arena.

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 00412**, Eagles Aerie 703 Lookout Austin, Austin, \$1,000. A contribution to a community arts program. (Portable toilets for Austin Arts festival.)
TO: **License 04427**, Austin Area Commission for the Arts, Austin.

FROM: **License 00412**, Eagles Aerie 703 Lookout Austin, Austin, \$5,000. A contribution to a community arts program. (Historic Paramount Theatre renovations.)
TO: **License 04427**, Austin Area Commission for the Arts, Austin.

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

FROM: **License 00523**, VFW Post 3817, East Grand Forks, \$304.50. Half the purchase price of a new bugle for joint color guard activities. A contribution in recognition of military service.
TO: **License 00456**, American Legion Post 157, East Grand Forks.

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 00087-004**, American Legion Post 91, Austin, \$1,000. Employee theft.

Exhibit N: Recommend denial:

- **License 02508- 001**, Waverly Lions Club, Waverly, \$2,000. Unknown cash theft. Denied due to the Organization failed to maintain and use accountability over its cash assets at all times, Lack of security over cash and inventory within the premises, Procedures were not followed to secure the funds, Organization failed to maintain adequate safeguards over its gambling funds, Losing possession of and security over cash assets of the org is a lack of acceptable

control and accountability over organizational assets.

- 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 03533**, Marshall Co Central Sports Boosters Club, Inc., Newfolden, \$3,046.93.
Terminating due to employee fraud.

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 - None.

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:

- **Nominations for Executive Committee Elections.** (Nominations are identified today for Chair, Vice-Chair and Secretary, and elections will take place during the August 18, 2025, board meeting.)

20. Next Meeting Announcement:

- Monday, August 18, 2025, at 10:00 a.m. Meeting will be held at the Minnesota Gambling Control Board, Roseville.

21. Adjournment