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## MEETING AGENDA

July 20, 2026 - 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**
8. **TRANSFER OF GAMBLING FUNDS TO ORGANIZATION ACCOUNT (LG275):** 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 02117**, Knife Lake Sportsmens Club, Mora. \$20,000. Repay start-up loan.
- **License 02117**, Knife Lake Sportsmens Club, Mora. \$3,045.30. Bank error.

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 00385**, VFW Post 1642, Waseca, \$20,280.66. Replace Post sound system used by other non-profits free of charge.
- **License 00660**, American Legion Post 149, Morristown, \$172,162.33. Addition to Post bathrooms to meet ADA requirements.

Exhibit D: Recommend denial – None.

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

Exhibit E: Recommend approval – None.

Exhibit F: Recommend denial – None.

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

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 00131**, American Legion Post 225, Forest Lake, \$87,500. Replace all 3 failing AC units at Post.
- **License 93266**, Farming Baseball Club, Inc., Richmond, \$9,447.50. Repair and repave parking lot.

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 community arts organization or program. (Arts Festival)  
TO: **License 04427**, Austin Area Commission for the Arts, Austin.

Exhibit L: Recommend denial – None.

**12. FUND LOSS REQUESTS (PROFIT CARRYOVER ADJUSTMENT) (LG250):** Minnesota Rule, 7861.0320

Organization, operations, accounts, reports, and records. 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 32530-004**, Dodge County Youth Hockey Association, Kasson, \$848. Burglary. Pull-tab dispensing device.
- **License 00544-004**, VFW Post 6031, Arlington, \$8,105.39. Burglary.
- **License 03153-018**, Belle Plain Chamber of Commerce, Belle Plain, \$500. Burglary. Pull-tab dispensing device.

**Exhibit N: Recommend denial:**

- **License 32530-004**, Dodge County Youth Hockey Association, Kasson, \$15,253.43. Burglary, denied due to insufficient security of the cash assets and games.
- **License 03153-018**, Belle Plain Chamber of Commerce, Belle Plain, \$5,174.75. Burglary, denied due to insufficient security of the cash assets and games.
- **License 07093-013**, Tamarack Sno Flyers Inc., Tamarack, \$1,919.50. Missing deposit. Denied due to internal controls being used by the organization were insufficient to hold its own seller accountable for the loss, Internal control procedures over cash accountability of each deal of pull-tabs do not provide enough control between shifts and between bar personnel to determine responsibility for the loss, losing possession of and security over cash assets of the organization is a lack of acceptable control and accountability over organizational assets.
- **License 94565-007**, West St. Paul Warriors, West St. Paul, \$29,164. Burglary. Denied due to GCB not notified within 60 days of the discovery of the incident.
- **License 02305**, Irving Community Association, Duluth, \$15,904. Unknown Cash Theft. Denied due to organization failed to maintain and use internal control procedures that prove accountability over its cash assets at all times, hired employee with theft conviction to handle money.

**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 00662**, Gnesen Volunteer Fire Department Relief Assoc., Duluth, \$21,644.73. Terminating due to merger with new 501c3.
- **License 02886**, Mohawk Jaycees of Westonka, Mound, \$46,757.53. Terminating due to declining membership.
- **License 94271**, Hometown Hero Outdoors, Stillwater, \$23,089.03. Terminating due to being unable to find premises.

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 DI079**, Brainerd Games, Brainerd. (Renewal)

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 – None.**

**20. Next Meeting Announcement:**

- August 17, 2026, at 10:00 a.m. Meeting will be held at the Minnesota Gambling Control Board, Roseville.

**21. Adjournment**