
MEETING AGENDA

August 17, 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 03184**, Kasson Fire Dept Relief Association, Kasson, \$5,000. Re-pay start-up loan.
- **License 03184**, Kasson Fire Dept Relief Association, Kasson, \$800. Gambling costs mistakenly paid out of wrong account.

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 00122**, Eagles Aerie 3394, Fairmont, \$10,609. Replace furnace and air conditioner.
- **License 00187**, VFW Post 9433, Rosemount, \$57,500. Replace Post flooring that has become a trip hazard and repave Post parking lot.
- **License 00395**, Eagles Aerie 3282, Worthington, \$19,995.97. Replace heating and cooling unit.
- **License 00190**, American Legion Post 33, St. James, \$14,345. Repair ceiling and paint the Watonwan room used by other non-profits free of charge.
- **License 00956**, VFW Post 3828, Kennedy, \$6,220. Renovate outdoor landscaping including removal of rock and deteriorated plastic sheeting.
- **License 00008**, VFW Post 1676, Detroit Lakes, \$83,200. Renovation of Post to include ADA accessibility front entrance including an ADA ramp connected to parking lot.

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 – 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 00475**, VFW Post 1647, Brainerd, \$5,000. A contribution to a 501 (c)(3) organization. (Fund replacement of Boiler.)

TO: **License 01066**, Lakes Area Senior Activity Center, Brainerd.

FROM: **License 04335**, North Branch Area Hockey Assoc., North Branch, \$500. A contribution to a 501 (c)(3) organization. (Tool replacement)

TO: **License 93172**, Harris Firemen's Relief Association, Harris.

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 04435-002**, Hill Murray Mothers Club, Maplewood, \$14,300. Burglary.

Exhibit N: Recommend denial:

- **License 01601-001**, Rogers Fire Department Relief Assoc., Rogers, \$1,630. Unknown cash theft. Denied due to the organization failing to maintain and use internal control procedures that provide accountability over tis cash assets at all times, 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 losses. Lack of security over cash and inventory within the premises, the organization failed to maintain adequate safeguards over its gambling funds, losing possession of and security over cash assets of the organization is a lack of acceptable control and accountability over organizational assets, law enforcement was not notified within five (5) days of the discovery of the incident, therefore the Board cannot consider the request.

- 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 - None.

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:

- **License 03272**, West Metro Fire Rescue District Firefighters Relief, Crystal, CRG recommendation. (Citation Appeal)
- Nominations for Board Chair, Vice Chair, and Secretary.

20. Next Meeting Announcement:

- Monday, September 21, 2026, at 10:00 a.m. Meeting will be held at the Minnesota Gambling Control Board, Roseville.

21. Adjournment