

LG267 Worksheet for Code 22 Real Property or Capital Assets

Organization name	License number	Column D - Annual limit and Balance For code 22 expenditures, determine your annual 5% limit:
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- **The use of this worksheet is optional.**
- Do not use this worksheet for real property or capital assets used exclusively for lawful purpose.

1. Total net receipts previous FY July through June \$ _____
2. Multiply line 1 by .05 \$ _____

Column A Fiscal year (month/year)	Column B - Projects List project/items for the repair, maintenance, improvement of real property or capital assets, or building-related capital assets that are no longer repairable.	Column C Amount spent	When 1st expenditure is made, subtract Column C from line 2 above and enter in Column D. Thereafter, subtract Column C from Column D.
July/			
Aug/			
Sept/			
Oct/			
Nov/			
Dec/			
Jan/			
Feb/			
Mar/			
Apr/			
May/			
Jun/			

<p>REQUIREMENTS</p> <p>The building or building-related capital assets must be:</p> <ul style="list-style-type: none"> • owned by the organization, and • made available to other nonprofits <u>free</u> of charge and used for the organization's head-quarters or primary mission. 	<p>ALLOWED within 5% limit: LPE Code 22</p> <ul style="list-style-type: none"> • ADA - Bring existing owned building into compliance. • ADA - Amount applied to replacement building. Use LG268 for Gambling Control Board approval. • General areas - Meeting and banquet areas, kitchen, bathrooms, entryway. • Repair, maintenance, or improvement of equipment used by nonprofits - Tables, chairs, appliances, microphone/speakers, etc. • HVAC - Heating, air conditioning, ventilation systems. • Parking lot, sidewalk, landscaping. • Roof, chimney, siding, exterior. 	<p>NOT ALLOWED AS LPE</p> <ul style="list-style-type: none"> • Building expansion. • Bar-related - Remodeling of bar area, bar items (furniture, glasses, carpeting, lighting, cooler, etc.), patio or deck used for bar or restaurant. • Commercial portion of building - Apartments, restaurant, bakery, barbershop, etc. (not related to primary mission). • Gambling-related - GM office, booths, storage. • Items for organization offices - Desk, chairs, file cabinet, phone, computer, printer, etc. 	<p>Total expenditures for the fiscal year may not exceed the 5% limit unless prior Gambling Control Board approval is obtained (using LG269).</p> <p>Any remaining balance may not be carried forward for the next FY.</p> <p>Questions? Contact your Compliance Specialist at the Gambling Control Board.</p>
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Data privacy notice: The information on this form and any attachments will become public information when requested and received by the Board, and will be used to determine your compliance with Minnesota statutes and rules governing lawful gambling activities.



For Organizations That Own Their Own Building

Certain organizations may spend up to 5% of net receipts on their building without getting Gambling Control Board approval. The conditions are:

1. The building must be owned by the licensed organization.
2. The percentage is figured on the organization's total net receipts for the previous fiscal year ending June 30 and may be spent during the next fiscal year. Amounts do not carry over from one fiscal year to the next.
3. The building must be available free of charge to other nonprofits and must be used for the organization's primary mission or as their headquarters.
4. No bar-related expenditures are allowed, nor are expenditures related to any commercial portion of the building. Expenses related to the gambling operation are an allowable expense, not a lawful purpose.
5. Expenditures that keep the physical structure, the building, or building related assets functioning are allowed under Code 22.
6. Routine ongoing services such as janitorial, grass cutting, or snow plowing are not allowed.
7. Prior Gambling Control Board approval is required for expenditures that exceed the 5% limit.

Below is a brief list of expenditures that have been allowed or disallowed. If you have any questions about a specific expenditure, please contact your Compliance Specialist.

Allowed

Air and heating

- HVAC repairs
- Regular maintenance check program for electrical service, HVAC, or elevators and repairs as needed during maintenance
- Hard wired smoke detectors and alarms

Code and ADA requirements

- ADA compliance requirements
- Code requirement items in kitchen or bathroom

Electrical

- Electrical repairs
- Re-wiring
- New light fixtures
- Upgrading lighting

Exterior

- Roof repairs
- Siding repairs
- Sidewalk repairs or improvements
- Parking lot repaving or re-striping
- Landscaping, such as replacing shrubs or trees, adding rocks, seeding grass

Interior

- Appliances in kitchen (capital assets related to building, such as stove, vent hood, refrigerator, freezer)
- Painting and prep work for painting
- Remodeling of kitchen, bathrooms, entry, storage, meeting area
- Replace flooring (limited to meeting areas/no bar area allowed)
- Stripping and waxing floor (limited to meeting areas/no bar area allowed)
- Meeting room, tables, chairs, microphones used by other nonprofits

Water, sewer, plumbing

- Plumbing repairs, including clogged toilets
- Water softener and water heaters
- Repair of sewer or water lines and pumping septic system

Not Allowed

Bar and rental

- Any bar-related expenses (including furniture, bar supplies, floor covering – even if used by nonprofits)
- Cooler used by bar or partially by bar (no prorating, not allowed)
- Any repairs related to bar
- Any repairs related to rental property such as apartments
- Patio for smoking outside bar area

Exterior

- Grass mowing
- Snowplowing/shoveling or removing snow on the roof
- Consumable supplies such as ice melt, fertilizer

Interior

- Consumable supplies, such as janitorial supplies
- Janitorial services such as cleaning floors, washing walls, cleaning carpets
- Hand-held fire extinguishers (non-code)
- New portable appliances such as toasters or roasters (non-code)
- Pots and pans, dishes or glasses
- Portable racks in kitchen to store items (non-code)
- Security systems (portion may be AE) or security maintenance
- TV's and cable costs
- Window coverings

Water, sewer, plumbing

- Water softener salt