

Sauk River Chain of Lakes
Board Meeting Minutes
September 21st, 2021 6:30 – 8:30 p.m.
Zoom Meeting

Call to Order – John Rocky, President

Present: Matt Noska, Charlie Montreuil, Sue Antolak, Brad Matuska, Troy Atkinson, Aaron Schwartz, Dave Hinson, Steve Weeres, Admin: Ann Warling

Absent: Matt Pelant, Karla Smetana, Gambling Manager: Keely Frakes-Rau

Guest: Judy Krebs

Review of past Minutes – John Rocky

- *Troy Atkinson made a motion to approve the August 17th SRCL Board meeting minutes – Seconded by Aaron Schwartz. Approved.*

Aquatic Invasive Species (AIS) Committee Report – Brad Matuska/Dave Hinson/Matt Pelant

- No Starry Stonewort has been found in the Chain of Lakes.
- LimnoPro is waiting for the lake to clear up to complete the assessment for hybrid watermilfoil on Horseshoe Lake.
- Brad Matuska is planning on attending Minnesota Aquatic Invasive Species Research Center (MAISRC) Showcase on September 22, 2021.
- Explore options for communicating AIS information possibly monthly – David Hinson

Gambling Manager Report - Karla Smetana

- Reviewed the Gambling Monthly Tax Return
- See attached LG1004 Monthly Gambling Report to Members.
- *Troy Atkinson made a motion to approve the proposed expenses and monthly gambling report and to make a \$10,000 donation transferred to SRCL in August – Seconded by David Hinson. Approved.*
- Fall Start Up for Bingo and Meat Raffle will be explored with Mandy at Shady's Long Shot. – Karla Smetana/John Rocky

Administration Report – John Rocky

- Reviewed SRCL Board member expectations including attendance and communication.
 - Explore alternative options for communication such as: Teams, Slack, Google Message – David Hinson
- *Troy Atkinson made a motion that Gambling and Financial Reports be submitted a minimum of three days in advance of a SRCL Board meeting for review by members. – Seconded by David Hinson, Approved.*
- Lake Management Plan needs to be posted on the SRCL website - John Rocky will provide the file to Ann Warling.

Financial Report – Charlie Montreuil

- August financial report showed \$90,909.78. – *Brad Matuska made a motion to approve the August Profit & Loss, Balance Sheet, and Check Register – Seconded by Steve Weeres. Approved.*
- September financial report currently has \$89,774.33. - *Troy Atkinson made a motion to approve the Profit & Loss, Balance Sheet, and Check Register – Seconded by Aaron Schwartz. Approved.*
- Create a working operating budget showing comparison of proposed budget liabilities against actual expenses for year end and continuing forward.
- Set up automatic monthly check payments to Ann Warling.

Land Use/Rock Buoys Committee Report – Troy Atkinson

- Developing and working with a subcommittee.

Water Quality Committee Report - Aaron Schwartz

- Road Cleanup – Saturday, October 2nd * 9 am * Meet Hwy 22 Launch
 - In need of 12-14 volunteers
- Last water sampling event is scheduled for Tuesday, September 28th

Fisheries Committee Report - Matt Noska

- Received fisheries' annual report and will be summarized as part of the Fall SRCL newsletter. The report will be posted on the website after November 1st.
- Electroshocking is planned for the second week of October. Board members interested in participating, please contact Matt Noska.

Marketing/Public Relations Committee Report – Susan Antolak

- SRCL logo apparel store will be open from October 16th to November 16th.
 - SRCL logo apparel store will be promoted in the Fall SRCL newsletter.
 - New SRCL board members (Karla Smetana, Steve Weeres, and David Hinson) should choose SRCL apparel up to the amount of \$150.
 - Will explore additional options for SRCL apparel for Spring. (ie: Promotional Resources, St. Joe – Karla Smetana's contact)
- Explore benefits and possible involvement in Amazon Smiles and Teals/Plattenberg's food receipt programs.
- Create a new SRCL Informational Brochure.
- List of new lake homeowners visited will be provided to Ann Warling for cross reference with SRCL membership database.

ILIDS Report – Steve Weeres

- Seven potential violations with 1-2 warnings from the Sheriff.
- Will research having additional videos viewed during next year's boating season.
- Decommission schedule for winter – Tentatively Week of October 18th – as launch traffic is slowing.

Old Business

- Rock Buoy Removal Marine – *September 18-19th*, Buoy Storage in Gambling Garage – Troy Atkinson
 - , Cement Weights Stored at Channel– Steve Weeres
- SRCL Mission/Vision Statement work continuing – Brad Matuska
 - Need to hear input from every SRCL board member.
- Fall Newsletter – *at printer second week of October*
 - Submit Stories ASAP
 - SRCL Summer Ad to be used in Fall newsletter with changes:
 - “manages the gambling” vs “started”
 - Remove: “formerly Lakeview Bar and Grill”
 - Replace long mission statement with “Stewards of the Sauk River Chain of Lakes”
- Recap of Concert for a Cause – *Community Giving Board Meeting October 20th to approve financials*

New Business

- Judy Krebs – Shared ideas, concerns, and plans of the proposed Long Lake Association. SRCL Board answered questions.

Adjourn

- *Brad Matuska made a motion to adjourn the September 21st, 2021, SRCL Board Meeting – Seconded by Aaron Schwartz. Approved.*
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For the Good of the Association – Meeting Schedule

- Tuesday, October 19th at 6:30 pm - Virtual (Zoom) Meeting
- Tuesday, November 16th at 6:30 pm - Virtual (Zoom) Meeting
- Tuesday, December 21st at 6:30 pm - Virtual (Zoom) Meeting

Lawful Gambling Monthly Tax Return

Print or Type	Organization name Chain of Lakes Richmond Sauk River	Federal ID number (FEIN) 00000	Minnesota tax ID number 00000	License number 01870
	Address PO Box 369	<input type="checkbox"/> Check if organization changed	Email address	Month/year reported 8/2021
	City Richmond	State MN	Zip code 56368	Number of Sites 1
	Number of pull-tab (paper and electronic), tipboard, sports themed tipboard and paddleticket games reported on schedule B2's for the month : 5		Check all that apply: <input type="checkbox"/> Amended return <input type="checkbox"/> Filing under extension (see Instructions) <input type="checkbox"/> No gaming activity this month <input type="checkbox"/> Final Return (see Instructions)	
This return includes (check all that apply): <input type="checkbox"/> Schedule B2 <input type="checkbox"/> Schedule NRL <input type="checkbox"/> Schedule ER <input type="checkbox"/> Form G7430 (February only)				

			A	B	C
			Gross receipts	Prizes paid	Net receipts
1	Non-linked bingo.....	1	0.00	0.00	0.00
2	Raffles (if tax-exempt raffles were conducted, complete Schedule ER).....	2	0.00	0.00	0.00
3	Paddle tickets..... 0 games.....	3	0.00	0.00	0.00
4	Add lines 1 through 3.....	4	0.00	0.00	0.00
5	Interest and other income (including advertising or sponsorship income; see instructions).....	5	0.00		0.00
6	Electronic linked bingo.....	6	1058.00	899.30	158.70
7	Tipboard..... 0 games.....	7	0.00	0.00	0.00
8	Paper pull-tabs..... 5 games.....	8	16624.00	13375.00	3249.00
9	Electronic pull-tabs..... 0 games.....	9	80844.50	70195.35	10649.15
10	Sports-themed tipboards..... 0 games.....	10	0.00	0.00	0.00
11	Add lines 4 through 10. Line 11C is your gross profits for the month.....	11	98526.50	84469.65	14056.85
12	Net receipts tax (multiply line 4C by 8.5% [0.085]. If negative, enter zero).....	12			0.00
13	Combined net receipts tax (from Worksheet E, line 11).....	13			1265.00
14	Total tax before credits (add lines 12 and 13).....	14			1265.00
15	Net receipts tax credit used (from Schedule NRL, column E).....	15			0.00
16	Exempt raffle tax credit (from Schedule ER, line 4).....	16			0.00
17	Total nonrefundable credit (add lines 15 and 16).....	17			0.00
18	Subtract line 17 from line 14. If negative, enter zero.....	18			1265.00
19	Combined net receipts tax credit (from Worksheet E, line 11; if negative).....	19			0.00
20	Monthly regulatory fee (multiply line 11a by 0.125% (.00125).....	20			123.16
21	TOTAL TAX DUE OR REFUND (add lines 18, 19 and 20).....	21			1388.16

Print or Type

Gross Profit

Tax and Fees

Expenditures / Expenses

22	Lawful purpose expenditures (from LG100C) less MN DOR gaming taxes paid.....	22	10000.00
23	Total lawful purpose expenditures (add lines 21 and 22).....	23	11388.16
24	Allowable expenses (total of all Schedule A's).....	24	10651.40

Start Bank

25 a	Starting cash banks per books (total of all Schedule A's).....	25 a	8500.00
b	Unreimbursed starting cash banks (total of all Schedule A's).....	25 b	0.00
	End-of-month cash balance in starting banks (subtract line 24b from 24a).....	25	8500.00

Organization Total Net Profit 702.45

Sign Here

I declare that all information on this summary and tax return is true, correct and complete.

Chief executive officer (print)		Chief executive officer signature	Date	Daytime Phone
Gambling manager		Gambling manager signature	Date	Daytime Phone
Preparer (print)	Name of firm B-Smart	Preparer signature	Date	Daytime Phone (555) 555-5555

Mail Form G1, schedules and any required attachments to:
Minnesota Revenue, Mail Station 3350, St. Paul, MN 55146-3350

Lawful Gambling Receipts and Expenses by Site

Organization name Chain of Lakes Richmond Sauk River	License number 01870	Site permit number 009
Location name Rich Spring Golf	Month/year reported 8/2021	

Gross Profits		A	B	C
		Gross receipts	Prizes paid	Net receipts
1	Paper Pull-tabs..... 5 games.....	1 16624.00	13375.00	3249.00
2	Electronic Pull-tabs..... 0 games.....	2 80844.50	70195.35	10649.15
3	Paper Bingo.....	3 0.00	0.00	0.00
4	Electronic Linked Bingo.....	4 1058.00	899.30	158.70
5	(PT) Paddletickets (using miniwheel or similar)..... 0 games.....	5 0.00	0.00	0.00
6	(PW) Paddletickets (using paddlewheel table)..... 0 games.....	6 0.00	0.00	0.00
7	Raffles.....	7 0.00	0.00	0.00
8	Tipboards..... 0 games.....	8 0.00	0.00	0.00
9	Sports-themed tipboards..... 0 games.....	9 0.00	0.00	0.00
10	Interest and other income.....	10 0.00		0.00
11	Add lines 1 through 10.....	11 98526.50	84469.65	14056.85

Allowable Expenses				
12	Cost of gambling products paid during the month (include state and local sales tax and freight charges.....)		12	423.08
13	Compensation and payroll taxes.....		13	0.00
14	Penalty and interest paid on taxes.....		14	0.00
15	Accounting services.....		15	750.00
16	Costs for a new or renewed gambling manager's bond.....		16	0.00
17	Local government investigation fees.....		17	0.00
18	Rent paid for conducting lawful gambling.....		18	2857.88
19	Electronic Pulltab Game Fees.....		19	6294.09
20	Electronic Linked Bingo Provider Fees.....		20	14.91
21	Other miscellaneous allowable expenses not listed above.....		21	311.44
22	Cash long or short (if cash long, put parentheses around amount).....		22	0.00
23	Reimbursement for excess cash shortages (this is a negative amount).....		23	0.00
24	Total allowable expenses (add lines 12 through 23).....		24	10651.40

Cash Banks				
25	Starting cash banks per books (site records).....		25	8500.00
26	Unreimbursed starting cash banks.....		26	0.00
27	Total starting cash banks (subtract line 26 from line 25).....		27	8500.00

Ending Inventory				
28	Dollar value of ending inventory on the last day of the month for this site. Do not include any sales tax, freight charges or the 1.7 percent tax.....		28	964.31

Net Profit				
29	Net profit less state taxes assessed on lawful gambling (11C - 24 - A08: Monthly State Taxes and Fees Paid..**). ** Include taxes paid of <u>2703.00</u> in the current month from previous month activity.		29	702.45

Recommended Tax Allocation from Current Month Activity to Apply in Following Month

Combined Receipts Tax Allocation =	100.00 % of :	1265.00 =	1265.00
Net Receipts Tax Allocation =	8.5 % of :	0.00 =	0.00
Regulatory Fee Allocation =	.125 % of :	98526.50 =	123.16
			<u>1388.16</u>

Schedule B2 – Lawful Gambling Report of Barcoded Games

Use this schedule to report pulltab, tipboard and paddleticket games that have been removed from play during the month. If you're reporting destroyed, fund-loss, defective or missing games, read instructions before completing.

	Federal ID number 00000	Minnesota tax ID 00000	License number 01870
Name of gambling site Rich Spring Golf	Site permit number 009	Month/year reported 8/2021	Page 1 of 1

Type of operation: Booth Bar-op Machine dispenser

Type of game (check one): Paper Pulltabs Electronic Pulltabs
 Sports Tipboards Progressive tipboards Paddletickets Tipboards
 Paddletickets (PW) Progressive pulltabs

Game status (check one): Played Destroyed with approval Reported as fund losses Defective Missing

	A	B	C	D	E	F	G	H	I	J	K	L	M
	Mfg ID	Part Number	Serial #	Date in play	Ideal gross receipts	Ideal prizes	Value of unsold tickets	Gross receipts (E minus G)	Value of prizes paid	Net Receipts (H minus I)	Cash in hands	Cash long / (short) (K minus J)	Date game removed
1	TP	6312U-MN	7F16253	28-Jul-21	6400.00	4800.00	2676.00	3724.00	2350.00	1374.00	1374.00	0.00	08-Aug-21
2	IG	2157AP	8794491	01-Aug-21	3185.00	2400.00	0.00	3185.00	2400.00	785.00	785.00	0.00	11-Aug-21
3	TP	5086K-MN	7C26708	28-Jul-21	5280.00	4100.00	3204.00	2076.00	2875.00	-799.00	-799.00	0.00	11-Aug-21
4	AG	BBQV428	7432199	08-Aug-21	6384.00	4900.00	1930.00	4454.00	3350.00	1104.00	1104.00	0.00	21-Aug-21
5	IG	2141AP	8814419	11-Aug-21	3185.00	2400.00	0.00	3185.00	2400.00	785.00	785.00	0.00	25-Aug-21
	Total				24434.00	18600.00	7810.00	16624.00	13375.00	3249.00	3249.00	0.00	

Worksheet E – Lawful Gambling Combined Receipts Tax

Complete this schedule to determine if you owe tax on combined receipts. Report gambling activity from July 1 through June 30 of the next year. Start over at zero each July 1. Keep this schedule to use when completing next month's Worksheet E. Do not mail it to the Minnesota Department of Revenue.

	Federal ID number 00000	Minnesota tax ID number 00000	License number 01870
Organization name Chain of Lakes Richmond Sauk River			Month/year reported 8/2021

Receipts	1	Interest and other income (from this month's Form G1, line 5, Column C)	1	0.00
	2	Receipts from electronic linked bingo games (from this month's Form G1, line 6, Column C)	2	158.70
	3	Receipts from tipboard games (from this month's Form G1, line 7, Column C)	3	0.00
	4	Receipts from paper pull-tab games (from this month's Form G1, line 8, Column C)	4	3249.00
	5	Receipts from electronic pull-tab games (from this month's Form G1, line 9, Column C)	5	10649.15
	6	Add lines 1 through 5.	6	14056.85
	7	Amount from last month's Worksheet E, line 8 (enter zero if this is the July Worksheet E)	7	28312.55
	8	Add lines 6 and 7.	8	42369.40
Tax	9	Go to the table below, determine the tax for line 8 and enter it here	9	3813.00
	10	Amount from last month's Worksheet E, line 9 (enter zero if this is the July Schedule E)	10	2548.00
	11	Combined receipts tax due (subtract line 10 from line 9)	11	1265.00

Enter the result here and on this month's Form G1. If positive, enter on line 13 of Form G1. If negative, enter the amount on line 19 of Form G1.

If line 8 is :				
over	but no more than	subtract from line 8	multiply result by	add
\$0	\$87,500		9% (.09)	\$0
\$87,500	\$122,500	\$87,500	18% (.18)	\$7,875
\$122,500	\$157,500	\$122,500	27% (.27)	\$14,175
\$157,500		\$157,500	36% (.36)	\$23,625

Enter the result on line 9 above.

Lawful Gambling Fund Reconciliation

Organization name Chain of Lakes Richmond Sauk River	License number 01870	Month/year reported 8/2021
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Checking Account

1	End-of-month checking account balance from bank statements (include from all checking accounts).....	1	25221.54
2	Deposits made during the month that are not included on bank statement.....	2	0.00
	Add lines 1 and 2.....		25221.54
3	Checks written during the month that are not included on bank statement.....	3	10473.22
4	End-of-month reconciled checking account balance (subtract line 4 from line 3).....	4	14748.32

Additions

5	End-of-month cash balance in starting cash banks (from this month's Form G1, line 24).....	5	8500.00
6	Cash received but not deposited by month end from sales of games reported on LG100A (do not list amounts included on line 2 above).....	6	453.30
7	Total in savings accounts and other non-checking accounts.....	7	0.00
8	Fund loss requests for profit carryover adjustments submitted to Gambling Control Board, but not yet acted upon by the board.....	8	0.00
9	Amounts to be reimbursed for denied fund loss requests, or for fund losses for which a profit carryover adjustment has not been requested.....	9	0.00
10	End-of-month value of merchandise prize inventory.....	10	0.00
11	Other additions.....	11	0.00
12	Total additions (add lines 5 through 11).....	12	8953.30

Subtractions

13	Linked bingo prize amount payable to (receivable from) linked bingo provider.....	13	241.47
14	Receipts deposited from games still in play that are not included on LG100A.....	14	0.00
15	End-of-month amount due for loans made to gambling fund.....	15	0.00
16	Total unpaid invoices for merchandise prizes.....	16	0.00
17	Calendar raffle and other prizes reported on an LG100A that have not yet been paid to winner(s).....	17	0.00
18	Other subtractions.....	18	0.00
19	Total subtractions (add lines 13 through 18).....	19	241.47

Reconciliation

20	Reconciled gambling fund balance (subtract line 19 from sum of lines 4 and 12).....	20	23460.15
21	Gross profits for the month (total of all schedules A, line 11C).....	21	14056.85
22	Total lawful purpose expenditures (Total from LG100C).....	22	12703.00
23	Allowable expenses (Form G1, line 24).....	23	10651.40
24	Profit carryover increase (decrease) (line 21 less sum of lines 22 and 23).....	24	-9297.55
25	Profit carryover (from prior month's Schedule F, line 27).....	25	32757.70
26	Approved adjustments by the Gambling Control Board (required written approval).....	26	0.00
27	Profit carryover for this month (add lines 24 through 26).....	27	23460.15
28	Profit carryover variance (subtract line 27 from 20; if lines 20 and 27 do not match, see instructions).....	28	0.00

Explanations

In the space below, briefly explain other additions reported on line 11 and/or other subtractions reported on line 18:

Schedule C : Lawful Purpose Expenditures

Organization Name Chain of Lakes Richmond Sauk River				License Number 01870				
Month/year 8/2021		Is this an amended Schedule C ? <input type="checkbox"/> Yes <input type="checkbox"/> No			Page 1 of 1			
Schedule C: Lawful Purpose Expenditures								
Membership Approval Date	Check or electronic payment		Payment to	Description (Purpose)	Premise	If approved by GCB enter date	Code	Amount
	Date	Number						
17-Aug-2021	17-Aug-2021	1617	SAUK RIVER CHAIN OF LAKES ASSOC	DONATION	009		AD1	10000.00
20-Aug-2021	20-Aug-2021	ET	MN DEPT OF REV	GAMBLING TAX	009		ACBT	2703.00
								12703

LG1004 Monthly Gambling Report to Members

Minnesota Statutes 349.19, Subdivisions 3 and 5, and Minnesota Rules 7861.0320, Subpart 6, require a monthly gambling report to the membership. Members attending this meeting reviewed the documents checked below. The check register and authorization of expenditures are attached to this form and have been made a part of the meeting minutes.

The items listed below are required to be presented to the membership each month and recorded in the minutes of the meeting.

Organization: SRCL Meeting date: 9/21, 2021.

Documentation Provided	Reporting Requirements for each form of lawful gambling conducted
1. LG100 Monthly Lawful Gambling Activity Summary or G1 Lawful Gambling Monthly Tax Return with the following: <input type="checkbox"/> LG100A <input type="checkbox"/> Schedule B2 <input type="checkbox"/> LG100C <input type="checkbox"/> LG100F	<ul style="list-style-type: none"> • Gross receipts. • Dollar amount of all prizes paid out. • Total value of all merchandise prizes awarded from each form of gambling conducted. • Lawful purpose expenditures. • Profit carryover reconciliation.
2. Copy of check register or itemized expense journal that includes electronic transactions.	Complete details on all allowable expenses including payee, amount, date issued, and purpose.
3. Copies of distributor invoices or perpetual inventory records.	Records of gambling equipment purchases, including: type of equipment; quantity purchased, date purchased, unit cost, and name of distributor.
4. Copy of the month-end physical inventory.	Physical inventory taken at month-end, including games in play, that lists the manufacturer's ID, part number, serial number; game name, cost of each game; and date and signature, in ink, of person completing the physical inventory.
5. Copy of itemized bank statement reconciliation (LG100F).	Gambling bank account reconciliation that balances with the profit carryover for each month and lists outstanding checks, including check number, payee, and amount; outstanding electronic transactions; deposits in transit; and beginning and ending bank balances for each month.
6. Fund loss report.	Any fund loss discovered during the month.
7. Correspondence and other documents: <input type="checkbox"/> Gambling Control Board: Approval/denial letters, allegations, questionable expenses, profit carryover variance, other <input type="checkbox"/> Department of Revenue: Error corrections, tax bills, tax orders <input type="checkbox"/> IRS: Tax notices <input type="checkbox"/> Miscellaneous correspondence <input type="checkbox"/> Annual audit <input type="checkbox"/> Compliance review report <input type="checkbox"/> Bingo program	Correspondence sent or received relating to the lawful gambling operations.

LG1004 Monthly Gambling Report to Members

Authorization of Expenditures

Minnesota Statutes 349.15, subdivision 1, requires that "Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized by the membership of the conducting organization at a monthly meeting of the organization's membership."

NOTE: When the membership approves an upper limit of expenses for a particular item, the report to the membership the following month must include the specific check or electronic transaction number, payee, purpose, amount, and date of payment for estimated expenditures from the previous month.

Preapproval: Allowable Expenses

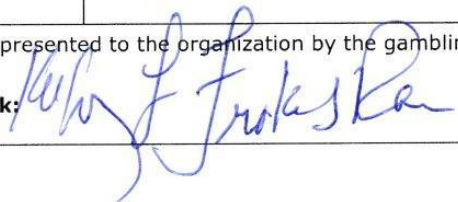
Payee or item to be paid	Brief explanation of the purpose for each expenditure	Expense amount		Approved (Yes/No)
		Limit	OR Actual	
Central Gaming	Pulltab dispenser	0-270	261.44	
Pilot Games	Misc expense	0-1000	265.27	
B-SMART	Reports	0-750	750	
Triple Crown	Games + Etab shared Rev	0-4000	6717.17	
Shady's	Rent	0-3000	1621.18	

Preapproval: Lawful Purpose Expenditures

Payee	Brief explanation of the purpose for each expenditure	LPE Code	\$ amount	Approved (Yes/No)
MN Dept of Rev	Gambling tax	A-8	1388.00	
SRCL	Donation	A-1		

This report was presented to the organization by the gambling manager or other organization member.

Signature, in ink:



Date:

9/21/21