

Sauk River Chain of Lakes Association
Board MINUTES
June 14th, 2022 6:30 – 8:30 p.m.
At Flexible Pipe Tool Co. • 22606 186th Ave • Cold Spring
Zoom Meeting Option

Call to Order – Matt Noska

In Attendance: Matt Noska, Brad Matuska, Aaron Schwartz, Gene Krebs, Karla Smetana, Troy Atkinson, Steeve Weeres, Richard Gallea, Gary Schnobrich, Wayne Karg, Admin: Ann Warling,
Gambling Manager: Keely Frakes-Rau
Zoom: Charlie Montreuil
Absent: Sue Antolak

Review of past Minutes – Matt Noska

- *Aaron Schwartz made a motion to approve the May 17th Board Minutes and the June 11th Annual Meeting Minutes. – Seconded by Gene Krebs. Approved.*

Gambling Manager Report – Keely Frakes-Rau & Karla Smetana

- *See attached – LG1004 Monthly Gambling Report to members*
- *Troy Atkinson made a motion to approve the monthly gambling report and proposed gambling expenses and to write a \$10,000 check to the Sauk River Chain of Lakes Association (SRCLA) – Seconded by Brad Matuska. Approved.*
- *Matt Noska made a motion to renew the membership with Electronic Gaming Group for \$150 a year and to pay mileage for Keely Frakes-Rau to attend a continue education event for electronic gambling in Crystal. – Seconded by Richard Gallea. Approved.*

Financial Report – Charlie Montreuil

- The June financial report showed total assets of \$195,809.66.
- *Troy Atkinson made a motion to approve the June Profit & Loss, Balance Sheet, and Check Detail. – Seconded by Steve Weeres. Approved.*

Administration Report – Matt Noska

- Welcome New Board Members and shared introductions of all board members.
- *Matt Noska made a motion to accept Brad Matuska as President of the SRCLA. – Seconded by Karla Smetana. Approved.*
- *Matt Noska made a motion to accept Aaron Schwartz as Vice President of the SRCLA. – Seconded by Gene Krebs. Approved.*
- *Matt Noska made a motion to accept Troy Atkinson as Treasurer of the SRCLA. – Seconded by Aaron Schwartz. Approved.*
- Tabled motion from May: *Brad Matuska made a motion to establish an Executive Director position on the SRCLA Board. – Seconded by Aaron Schwartz.* After discussion, the motion was tabled to review bylaws and seek legal guidance.
 - After review by a subcommittee consisting of John Rocky, Matt Noska, Brad Matuska, and Troy Atkinson it is recommended to vote Nay for the motion.
 - *Motion not approved.*

Marketing/Public Relations Committee Report – Karla Smetana

- A signup sheet for SRCLA Board Members to work a table at the Rock the River Events (June 16th, July 21st, & August 18th) was filled by members.
 - Karla Smetana shared a script introducing the SRCLA to event participants to be read during a band break.
- The Online Store link has been sent to the Board Members. The Online Store will be open June 13th thru June 30th.
 - *Matt Noska made a motion to provide \$150 for new board members and \$75 for existing board members to purchase SRCLA apparel. – Seconded by Steve Weeres. Approved.*
- SRCLA Brochure has been ordered and is in the processing of being printed.

Aquatic Invasive Species (AIS) Awareness & Prevention Report – Steve Weeres

- The I-LIDS Committee is renamed to encompass a more diverse approach to AIS awareness. The new name is AIS Awareness & Prevention Committee.
- Steve Weeres submitted a proposal to the Minnesota Department of Natural Resources' (MN DNR) site administrator to modify sign placement, add a sign and add a trash receptacle at the HW 22 landing. The site administrator was good with the plan. A permit to proceed is the next step which is issued through the Parks and Trails division. Steve has been assigned a reviewer, Molly Lou Pintok, and the next step is a site visit. This is set for 11 am on June 24th.

- Steve Weeres will prepare a proposal for the July SRCLA Board meeting to install and collect data from two water level buoys located in Knaus and East Lakes. He will also include information on collecting dissolved oxygen levels data.
- Steve would like to explore ways to promote hard water activities on the Chain of Lakes.

Water Quality Committee Report - Aaron Schwartz

- The enhanced sampling proposal is being worked on.
- In addition to Spring and Fall Road Cleanup, Aaron Schwartz suggested exploring the garbage pickup on the ice when fish houses come off the lakes and the ice is still safe. (Get the garbage before it gets into the water.)

Aquatic Invasive Species (AIS) Committee Report – Brad Matuska/Gene Krebs

- Mechanical harvesting is going poorly with less weeds being harvested than anticipated. Only 50 percent of the \$20,000 allotted for weed mechanical weed harvesting has been used.
 - *Brad Matuska made a motion to spend \$5,000 (of the remaining \$10,000 budgeted) to harvest additional weeds on Long Lake. – Seconded Matt Noska. Approved.*
- The hybrid Eurasian Milfoil will be treated with 24D and the surrounding lakes will be checked to see if the hybrid milfoil has spread.

Fisheries Committee Report - Matt Noska

- Board members are to let Matt Noska know if they are interested in participating in one of MN DNR’s electroshocking events on the Chain.

Land Use Committee Report – Troy Atkinson

- Rock Buoys appear to still be positioned correctly after the flood.
- Promoting restoration projects using Gallea’s *Shoreline Living* feature. One idea is to include an article in the SRCLA Fall Newsletter.

Old Business

- As of June 13th, we have 364 Individual and Business Members combined for a total of \$30,990 (including additional donations).
- SRCLA Committee Assignments:
 - Water Quality Committee – Gary Schnobrich
 - AIS Committee – Gene Krebs/ Wayne Karg
 - Land Use Committee – Richard Gallea
 - Fisheries Committee – Matt Noska/ Gary Schnobrich
 - Marketing Committee – Susan Antolak/ Karla Smetana
 - AIS Awareness & Prevention – Steve Weeres
- Each committee is asked to write description of scope of the work they focus on.

New Business

- Karla Smetana shared that a boy scout is in need of additional conservation hours and is looking to assist on a project. If a project is big enough then the whole boy scout troop can become involved. One suggestion was to cleanup (pick trash etc) around the 49, 22, and 71 bridges as well as the 71-boat access rotating one a week.
- Matt Noska will reach out to the Stearns County Sheriff’s office asking that the No Wake Zone (for Sandy Point, Krohn’s, Great Northern Entrance) be restarted.
- Troy Atkinson will look into how to make depositing checks for Ann Warling at Falcon Bank easier. He will also look into the options for more electronic-based banking.
- The Marketing Committee will be looking into a web-based messaging board.

Adjourn

- *Brad Matuska made a motion to adjourn the June 14th, 2022 SRCLA Board Meeting. – Seconded by Aaron Schwartz. Approved.*

For the Good of the Association – Meeting Schedule

- Tuesday, July 19th at 6:30 pm – at Flexible Pipe Tool Company, 22606 186th Ave • Cold Spring/Virtual (Zoom) Meeting Option
- Tuesday, August 16th at 6:30 pm – at Flexible Pipe Tool Company, 22606 186th Ave • Cold Spring/Virtual (Zoom) Meeting Option
- Tuesday, September 20th at 6:30 pm – at Flexible Pipe Tool Company, 22606 186th Ave • Cold Spring/Virtual (Zoom) Meeting Option

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 <input type="checkbox"/> Check if organization changed PO Box 369	Email address		Month/year reported 5/2022
	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 : g		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	1615.50	1373.17	242.33
7	Tipboard..... 0 games.....	7	0.00	0.00	0.00
8	Paper pull-tabs..... 9 games.....	8	28714.00	26225.00	2489.00
9	Electronic pull-tabs..... 0 games.....	9	142064.50	119318.35	22746.15
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	172394.00	146916.52	25477.48
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			9172.00
14	Total tax before credits (add lines 12 and 13).....	14			9172.00
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			9172.00
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			215.49
21	TOTAL TAX DUE OR REFUND (add lines 18, 19 and 20).....	21			9387.49

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	19387.49
24	Allowable expenses (total of all Schedule A's).....	24	11059.74

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 Net Profit Less Combined Receipt Tax and Regulatory Fees Paid in the Month 6833.74

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

Sign Here

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 5/2022	

Gross Profits		A	B	C
		Gross receipts	Prizes paid	Net receipts
1	Paper Pull-tabs..... 9 games.....	1 28714.00	26225.00	2489.00
2	Electronic Pull-tabs..... 0 games.....	2 142064.50	119318.35	22746.15
3	Paper Bingo.....	3 0.00	0.00	0.00
4	Electronic Linked Bingo.....	4 1615.50	1373.17	242.33
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 172394.00	146916.52	25477.48

Allowable Expenses				
12	Cost of gambling products paid during the month (include state and local sales tax and freight charges).....		12	0.00
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	3129.32
19	Electronic Pulltab Game Fees.....		19	6820.94
20	Electronic Linked Bingo Provider Fees.....		20	108.04
21	Other miscellaneous allowable expenses not listed above.....		21	251.44
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	11059.74

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	911.30

Net Profit				
29	Net profit less state taxes assessed on lawful gambling (11C - 24 - A08: Monthly State Taxes and Fees Paid... **).....		29	6833.74

** Include taxes paid of 7584.00 in the current month from previous month activity.

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

Combined Receipts Tax Allocation=	100.00 % of :	9172.00 =	9172.00
Net Receipts Tax Allocation =	8.5 % of :	0.00 =	0.00
Regulatory Fee Allocation =	.125 % of :	172394.00 =	215.49
			<u>9387.49</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
Site permit number 009	Month/year reported 5/2022	Page 1 of 1

Name of gambling site
Rich Spring Golf

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 Revenue approval Reported as fund losses Defective Missing
 Fund loss game destroyed by Revenue

	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	6124R-MN	7L38023	09-Mar-22	6400.00	4800.00	3094.00	3306.00	2800.00	506.00	506.00	0.00	06-May-22
2	AI	WP64-MN	7U98301	09-Apr-22	5280.00	4100.00	2524.00	2756.00	2875.00	-119.00	-119.00	0.00	10-May-22
3	IG	2186AP	8905906	26-Apr-22	3185.00	2400.00	162.00	3023.00	2400.00	623.00	623.00	0.00	10-May-22
4	AI	WP62-MN	7U98309	06-May-22	5280.00	4100.00	3932.00	1348.00	2525.00	-1177.00	-1177.00	0.00	13-May-22
5	TP	7157C-MN	7K36049	10-May-22	5280.00	4100.00	30.00	5250.00	4100.00	1150.00	1150.00	0.00	13-May-22
6	TP	7244A-MN	7K17477	10-May-22	3160.00	2400.00	711.00	2449.00	2200.00	249.00	249.00	0.00	13-May-22
7	AI	WS02-MN	7V43272	13-May-22	5280.00	4100.00	4204.00	1076.00	2175.00	-1099.00	-1099.00	0.00	27-May-22
8	AI	XD59-MN	8S10197	13-May-22	6400.00	4800.00	2174.00	4226.00	3050.00	1176.00	1176.00	0.00	27-May-22
9	AI	WP60-MN	7U98382	27-May-22	5280.00	4100.00	0.00	5280.00	4100.00	1180.00	1180.00	0.00	30-May-22
				Total	45545.00	34900.00	16831.00	28714.00	26225.00	2489.00	2489.00	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 5/2022

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	242.33
	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	2489.00
	5	Receipts from electronic pull-tab games (from this month's Form G1, line 9, Column C)	5	22746.15
	6	Add lines 1 through 5.	6	25477.48
	7	Amount from last month's Worksheet E, line 8 (enter zero if this is the July Worksheet E)	7	161086.30
	8	Add lines 6 and 7.	8	186563.78
Tax	9	Go to the table below, determine the tax for line 8 and enter it here	9	34088.00
	10	Amount from last month's Worksheet E, line 9 (enter zero if this is the July Schedule E)	10	24916.00
	11	Combined receipts tax due (subtract line 10 from line 9).	11	9172.00

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	License number	Month/year reported
Chain of Lakes Richmond Sauk River	01870	5/2022

Checking Account

1	End-of-month checking account balance from bank statements (include from all checking accounts).....	1	27475.74
2	Deposits made during the month that are not included on bank statement.....	2	0.00
	Add lines 1 and 2.....		27475.74
3	Checks written during the month that are not included on bank statement.....	3	3879.32
4	End-of-month reconciled checking account balance (subtract line 4 from line 3).....	4	23596.42

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	8131.30
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	16631.30

Subtractions

13	Linked bingo prize amount payable to (receivable from) linked bingo provider.....	13	401.64
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	401.64

Reconciliation

20	Reconciled gambling fund balance (subtract line 19 from sum of lines 4 and 12).....	20	39826.08
21	Gross profits for the month (total of all schedules A, line 11C).....	21	25477.48
22	Total lawful purpose expenditures (Total from LG100C).....	22	17584.00
23	Allowable expenses (Form G1, line 24).....	23	11059.74
24	Profit carryover increase (decrease) (line 21 less sum of lines 22 and 23).....	24	-3166.26
25	Profit carryover (from prior month's Schedule F, line 27).....	25	42992.34
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	39826.08
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 5/2022		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-May-2022	17-May-2022	1666	SAUK RIVER CHAIN OF LAKES ASSOC		009		A01	10000.00
17-May-2022	23-May-2022	ET	MN DEPT OF REV		009		A08T	7584.00
								17584

JUNE 2022 MTG ¶



APPROVAL: ALLOWABLE EXPENSES — MAY numbers ¶

Central Gaming	→	→	<u>pulltab dispenser</u>	→	→	0-\$270.00	→	→	<u>\$251.44</u> ¶
B-SMART	→	→	monthly reports	→	→	0-\$750.00	→	→	<u>\$750.00</u> ¶
Triple Crown	→	→	games	→	→	0-\$4000	→	→	<u>\$0</u> ¶
			<u>etabs</u>	→	→		→	→	\$6820.94 → ¶
Pilot Games	→	→	<u>etabs</u>	→	→	0-\$250	→	→	\$835.02 ¶
Shady's Longshots	→	→	rent	→	→	0-\$3000	→	→	\$3129.32 ¶
Teals	→	→	raffle prizes	→	→	0-1500	→	→	\$ ¶
Negative games	→	→		→	→		→	→	\$2395.00 ¶



PREAPPROVAL: LAWFUL PURPOSE EXPENDITURES ¶

MN Dept of Rev	→	→	gambling tax	→	→	A-8	→	→	\$9388.00 ¶
Sauk River Chain	→	→	donation	→	→	A-1.....	→	→	\$10,000.00 ¶

→ ¶