

Sauk River Chain of Lakes Association
Board MINUTES
May 17th, 2022 6:30 – 8:30 p.m.
At Flexible Pipe Tool Co. • 22606 186th Ave • Cold Spring
Zoom Meeting Option

Call to Order – John Rocky, President

Present: Aaron Schwartz, Gene Krebs, Karla Smetana, Troy Atkinson, Steeve Weeres, Admin: Ann Warling,
Gambling Manager: Keely Frakes-Rau

Zoom: Brad Matuska, Matt Noska, Keely Frakes-Rau, Susan Antolak, Charlie Montreuil

Review of past Minutes – John Rocky

- April Board Minutes Approved via Email – Ann Warling

Gambling Manager Report - Karla Smetana

- *See attached* – LG1004 Monthly Gambling Report to members
- The paper pull tab machine is on a rent-to-own contract. *John Rocky made a motion to continue paying the monthly fee instead of a one-time balloon payment. – Seconded by Troy Atkinson. Approved.*
- *Aaron Schwartz made a motion to write a \$10,000 check to the Sauk River Chain of Lakes Association (SRCLA). – Seconded by Charlie Montreuil. Approved*
- *Troy Atkinson made a motion to approve the monthly gambling report and proposed gambling expenses. – Seconded by Steve Weeres. Approved.*
- The Administrative Committee (John Rocky, Matt Noska, Brad Matuska) will meet to discuss how to proceed with replacing John Rocky on the gambling license.

Financial Report – Charlie Montreuil

- The May financial report showed \$172,768.95.
- *Karla Smetana made a motion to approve the May Profit & Loss, Balance Sheet, and Check Detail. – Seconded by Aaron Schwartz. Approved.*
- Dan Schleper will be filing the SRCLA taxes in May. Charlie Montreuil will follow-up with Dan and schedule an audit in June or July depending on the type of audit to be completed.
- Charlie Montreuil will explore how to reflect the dollars donated to specific areas such as weeds, stocking, and general fund.
- John Rocky will send out a personal thank you to David Metz for his \$1,000 donation.

Administration Report – Matt Noska

- John Rocky and Charlie Montreuil will be retiring from the SRCLA Board as of the June 11th Annual Meeting.
- Currently, the SRCLA Board has three open seats and three board members up for re-election (Karla Smetana, Aaron Schwartz, and Matt Noska).
- After the Annual Meeting, the SRCLA Board of Directors must meet within four days to elect new officers.
- *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.*
- *Aaron Schwartz made a motion to partner with legal counsel to review the SRCLA Bylaws and Executive Director position not to exceed \$2,500. -Seconded by Troy Atkinson. Approved.*
- An administrative subcommittee consisting of John Rocky, Matt Noska, Brad Matuska, and Troy Atkinson was formed to do further research and contact legal counsel. Matt Noska offered to reach out to an attorney group he works with.
- Via Email: An administrative subcommittee consisting of John, Troy, Matt, and myself had the chance to consult with an attorney who reviewed our by-laws. As a result, the subcommittee is recommending an update to our bylaws. Essentially, we are proposing to update Article V (Indemnification) of the original bylaws (see attachment SRCL_BYLAWS_June2017) to the attached Proposed Amendments for the Bylaws. Simply, our current indemnification section is out of date.
 - *Brad Matuska made a motion to accept the update to our bylaws. Essentially, we are proposing to update Article V (Indemnification) of the original bylaws (see attachment SRCL_BYLAWS_June2017) to the attached Proposed Amendments for the Bylaws. Simply, our current indemnification section is out of date. – Seconded by Matt Noska. Approved.*

Marketing/Public Relations Committee Report – Susan Antolak/Gene Krebs

- Request Board Member sign up to work a table at the Rock the River Events (May 19th, June 16th, July 21st, & August 18th)

- Two board members for each event are needed to work the SRCLA table.
- SRCLA Online Store items from Promotional Resources are on hold.
- 40th Anniversary Picnic/Spring Membership Meeting details are complete. Susan Antolak will let board members know when the board member t-shirts are available.
- SRCLA Brochure for Board Review.
 - The SRCLA membership will be a separate sheet of paper from the brochure.
 - Request was made to have 150 copies of the brochure at the Annual Meeting
- Karla Smetana offered to create a QR Code for the newsletter and brochure for individuals to scan at the Annual meeting and Rock the River Events so they can read later.

I-LIDS Report – Steve Weeres

- *Aaron Schwartz made a motion to that the I-LIDS Committee be renamed to Aquatic Invasive Species (AIS) Awareness & Prevention Committee. – Seconded by Karla Smetana. Approved.*
- The Hwy 23 boat launch I-LIDS’ battery is not charging and further investigation is needed to troubleshoot the problem for a solution.
- The Hwy 71 boat launch I-LIDS got wet and Eric Lindberg needs to dry out the unit.
- Both the Hwy 22 and Long Lake boat launches I-LIDS are working.

Water Quality Committee Report - Aaron Schwartz

- Seventeen – 18 bags of garbage were picked up by 10 volunteers during the road cleanup event on May 7th.
- Aaron Schwartz will explore the purchase of new safety vests and t-shirts with the SRCLA logo for volunteers.
- Expansion of Monitoring Efforts to include *Inlet Monitoring and Dissolved Oxygen Stratification (Bottom Sampling) Monitoring* would start in March 2023. Additional monitoring equipment would need to be purchased at an approximate cost of \$4,000.
- During the 2022 season, we will continue with the established monitoring practices.
- The Sauk River Watershed District challenged the board to examine “What questions we are trying to answer with our monitoring?” “Do we have a willingness to do something if a need is discovered?” This is really the beginning of a “Lake Management Plan”. A subcommittee was formed (Brad Matuska, Aaron Schwartz, Gene Krebs) to confer with Dan McEwen, LimnoPro Aquatic Science Inc., on options to proceed.
- Explore the Possibility of Adding Garbage Containers to Boat Landings
- 2022 Sauk River Watershed District Monitoring Contract - finalized

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

- Per Minnesota Department of Natural Resources, the proposed 88 acres to be treated chemically has been reduced to 59 acres.
- Due to the high-water levels, chemical treatment has been postponed one week to the week of May 23rd.

Fisheries Committee Report - Matt Noska

- Electroschock Event Up River on May 4th.

Land Use Committee Report – Troy Atkinson

- Rock Buoys were installed on 4/30/22; however due to the high-water levels they may need to be repositioned.
- MN Lakes & Rivers Association was formed for property tax purposes but they now do legislative work and have a lobbying presence at the Minnesota Legislature. *Troy Atkinson made a motion to become a member of the MN Lakes & Rivers Association for \$300 a year. – Seconded by Charlie Montreuil. Approved.*

Adjourn

- *Charlie Montreuil made a motion to adjourn the May 17th, 2022 SRCLA Board Meeting. – Seconded by Karla Smetana. 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 PO Box 369	<input type="checkbox"/> Check if organization changed	Email address	Month/year reported 4/2022
	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 : 8		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	3585.00	2852.00	733.00
2	Raffles (if tax-exempt raffles were conducted,complete Schedule ER).....	2	0.00	0.00	0.00
3	Paddle tickets..... 1 games.....	3	1350.00	855.00	495.00
4	Add lines 1 through 3.....	4	4935.00	3707.00	1228.00
5	Interest and other income (including advertising or sponsorship income; see instructions).....	5	0.00		0.00
6	Electronic linked bingo.....	6	2150.50	1827.92	322.58
7	Tipboard..... 0 games.....	7	0.00	0.00	0.00
8	Paper pull-tabs..... 7 games.....	8	25242.00	20325.00	4917.00
9	Electronic pull-tabs..... 0 games.....	9	125300.25	104760.65	20539.60
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	157627.75	130620.57	27007.18
12	Net receipts tax (multiply line 4C by 8.5% [0.085]. If negative, enter zero).....	12			104.38
13	Combined net receipts tax (from Worksheet E, line 11).....	13			7283.00
14	Total tax before credits (add lines 12 and 13).....	14			7387.38
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			7387.38
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			197.03
21	TOTAL TAX DUE OR REFUND (add lines 18, 19 and 20).....	21			7584.41

Print or Type

Gross Profit

Tax and Fees

Expenditures
/Expenses

22	Lawful purpose expenditures (from LG100C) less MN DOR gaming taxes paid.....	22	0.00
23	Total lawful purpose expenditures (add lines 21 and 22).....	23	7584.41
24	Allowable expenses (total of all Schedule A's).....	24	6627.39

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 16525.79

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 4/2022	

Gross Profits		A	B	C	
		Gross receipts	Prizes paid	Net receipts	
1	Paper Pull-tabs..... 7 games.....	1	25242.00	20325.00	4917.00
2	Electronic Pull-tabs..... 0 games.....	2	125300.25	104760.65	20539.60
3	Paper Bingo.....	3	3585.00	2852.00	733.00
4	Electronic Linked Bingo.....	4	2150.50	1827.92	322.58
5	(PT) Paddletickets (using miniwheel or similar)..... 1 games.....	5	1350.00	855.00	495.00
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	157627.75	130620.57	27007.18

Allowable Expenses

12	Cost of gambling products paid during the month (include state and local sales tax and freight charges).....	12		891.70
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		1502.87
19	Electronic Pulltab Game Fees.....	19		3195.15
20	Electronic Linked Bingo Provider Fees.....	20		26.23
21	Other miscellaneous allowable expenses not listed above.....	21		261.44
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		6627.39

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		1492.30
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Net Profit

29	Net profit less state taxes assessed on lawful gambling (11C - 24 - A08: Monthly State Taxes and Fees Paid... **).....	29		16525.79
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** Include taxes paid of 3854.00 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 :	7283.00 =	7283.00
Net Receipts Tax Allocation =	8.5 % of :	1228.00 =	104.38
Regulatory Fee Allocation =	.125 % of :	157627.75 =	197.03
			<u>7584.41</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 4/2022	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 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	6030S-MN	7K67120	17-Mar-22	6400.00	4800.00	3376.00	3024.00	2300.00	724.00	724.00	0.00	06-Apr-22
2	TP	7246A-MN	7K17453	23-Mar-22	3160.00	2400.00	460.00	2700.00	2250.00	450.00	450.00	0.00	06-Apr-22
3	TP	7153C-MN	7K35767	06-Apr-22	5280.00	4100.00	188.00	5092.00	3975.00	1117.00	1117.00	0.00	09-Apr-22
4	TP	7149C-MN	7K35725	09-Apr-22	5280.00	4100.00	376.00	4904.00	4100.00	804.00	804.00	0.00	14-Apr-22
5	AN	3242F-MN	7Z20135	06-Apr-22	3160.00	2400.00	1670.00	1490.00	1350.00	140.00	140.00	0.00	19-Apr-22
6	TP	5739F-MN	7K54236	14-Apr-22	5280.00	4100.00	268.00	5012.00	4000.00	1012.00	1012.00	0.00	19-Apr-22
7	AI	XN42-MN	8H42477	19-Apr-22	3159.00	2400.00	139.00	3020.00	2350.00	670.00	670.00	0.00	26-Apr-22
	Total				31719.00	24300.00	6477.00	25242.00	20325.00	4917.00	4917.00	0.00	

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 4/2022	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 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	IG	5PT1	2865551	01-Apr-22	1500.00	1500.00	150.00	1350.00	855.00	495.00	495.00	0.00	15-Apr-22
	Total				1500.00	1500.00	150.00	1350.00	855.00	495.00	495.00	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 4/2022

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	322.58
	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	4917.00
	5	Receipts from electronic pull-tab games (from this month's Form G1, line 9, Column C)	5	20539.60
	6	Add lines 1 through 5.	6	25779.18
	7	Amount from last month's Worksheet E, line 8 (enter zero if this is the July Worksheet E)	7	135307.12
	8	Add lines 6 and 7.	8	161086.30
Tax	9	Go to the table below, determine the tax for line 8 and enter it here	9	24916.00
	10	Amount from last month's Worksheet E, line 9 (enter zero if this is the July Schedule E)	10	17633.00
	11	Combined receipts tax due (subtract line 10 from line 9).	11	7283.00

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	4/2022

Checking Account

1	End-of-month checking account balance from bank statements (include from all checking accounts).....	1	29599.80
2	Deposits made during the month that are not included on bank statement.....	2	0.00
	Add lines 1 and 2.....		29599.80
3	Checks written during the month that are not included on bank statement.....	3	2619.31
4	End-of-month reconciled checking account balance (subtract line 4 from line 3).....	4	26980.49

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	8238.83
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	16738.83

Subtractions

13	Linked bingo prize amount payable to (receivable from) linked bingo provider.....	13	726.98
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	726.98

Reconciliation

20	Reconciled gambling fund balance (subtract line 19 from sum of lines 4 and 12).....	20	42992.34
21	Gross profits for the month (total of all schedules A, line 11C).....	21	27007.18
22	Total lawful purpose expenditures (Total from LG100C).....	22	3854.00
23	Allowable expenses (Form G1, line 24).....	23	6627.39
24	Profit carryover increase (decrease) (line 21 less sum of lines 22 and 23).....	24	16525.79
25	Profit carryover (from prior month's Schedule F, line 27).....	25	26466.55
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	42992.34
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:

Minnesota Gambling Control Board
Schedule C : Lawful Purpose Expenditures

LG100C

Organization Name Chain of Lakes Richmond Sauk River			License Number 01870					
Month/year 4/2022		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						
20-Apr-2022	20-Apr-2022	ET	MN DEPT OF REV		009		A08T	3854.00
								3854

MAY 17 2022 MTG ¶



APPROVAL: ALLOWABLE EXPENSES — APRIL numbers ¶

Central Gaming	→	→	<u>pulltab dispenser</u>	→	→	0-\$270.00	→	→	<u>\$ 261.44</u> ¶
B-SMART	→	→	monthly reports	→	→	0-\$750.00	→	→	<u>\$ 750.00</u> ¶
Triple Crown	→	→	games	→	→	0-\$4000	→	→	<u>\$ 891.70</u> ¶
			<u>etabs</u>	→	→		→	→	\$3195.15 → ¶
Pilot Games	→	→	<u>etabs</u>	→	→	0-\$250	→	→	\$ 0 ¶
Shady's Longshots	→	→	rent	→	→	0-\$3000	→	→	\$ 1502.87 ¶
Teals	→	→	raffle prizes	→	→	0-1500	→	→	\$ 855.00 ¶



PREAPPROVAL: LAWFUL PURPOSE EXPENDITURES ¶

MN Dept of Rev	→	→	gambling tax	→	→	A-8	→	→	\$ 7584.00 ¶
Sauk River Chain	→	→	donation	→	→	A-1.....	→	→	\$ 10,000.00 ¶