

White Bear Lake Area Hockey Association

Gambling and Board Monthly Minutes

February 13, 2024

Attendees: Nathan Jacksie, Ryan Gaze, Ryan Sienko, John Smith, George Butkovich, Lisa Butkovich, Pat Cranston, April Stuhr, Lindsay Cranston, Abby Kath, Harley Green

Board Members: Chad Marquardt,,Joel Starke, Nicole Giefer, Nick Anthony, Matt Ryan, Todd Wanka, Nicole Giefer, Ben Butters, Rick Kissner, Jessica Jaskie

Gambling Manager: Kevin Bergerson

GAMBLING MEMBERSHIP MEETING:

1. Call to order (Chad Marquardt)
2. Motion to Approve Agenda
 1. Motion - Ben Butters
 2. 2nd - Nick Anthony - motion carries
3. Gambling Report (Kevin Bergerson)
 1. Account Balance as of 1/31/2024 - \$1,313,663.84
 2. Review December 2023 Financials - Membership Approval Needed
 - i. December 2023 Financial Summary
 - ii. December Breakout by Site
 - iii. December Allowable Expenses
 - iv. December Lawful Purpose Expenses
 - v. Motion Kevin Bergerson. 2nd Nick Anthony. Membership approved
 3. March 2024 Estimated Expenses - Membership Approval Needed
 - i. Motion Kevin Bergerson. 2nd Nick Anthony. Membership approved
 4. Propose to donate \$400,000 to White Bear Lake Hockey
 - i. Motion Kevin Bergerson. 2nd Nick Anthony. Membership approved
 5. Other Business
 - i. December Month End Filings were delayed due to changing preparers and issues with tax software. On 01/18/24, requested extension with MN Dept. of Revenue - extended to 02/20/24. On 01/18/24, requested extension with MN Gambling Control Board - extended to 02/07/24
 - ii. Working on changing all Bar Bingo programs to increase profitability through optimizing prizes and improving operational expenses
 - iii. Black Diamond Bingo Hall Update
4. Adjourn

MONTHLY BOARD MEETING

1. Call to order (Chad Marquardt)
2. Approval of Agenda
 - a. Motion - Ben Butters
 - b. 2nd - Nick Anthony - motion carries
3. Approval of Monthly Meeting Minutes - January 2024
 - a. Motion - Ben Butters
 - b. 2nd - Nick Anthony - motion carries
4. Member Forum
 - a. Greg Butkovich asked about the ice allocation question from the last meeting.
 - i. Chad replied about his research regarding ice time. Chad shared Huge difference between Mite 3 and Mite 4 had most of the ice.
 - ii. Possibly refunding other teams

- iii. Other levels were closer.
 - iv. No level fees this year level
 - v. Look at giving ice reports
- b. Question on waiver. President does not make decisions on school waiver. Conditional waiver still exists, example: when teams need to co-op.
 - i. Are we co-oping with Tartan, no
 - c. When does the board decide on the number of teams? At time of registration.
 - i. We should be able to open registration earlier.
 - d. Declaration question - Chad, Todd, Matt, Joel, Rick respond
 - i. April meeting to help with declaration decisions
 - e. Praises for coach AJ
 - f. Kinsley feedback, she has improved
5. Treasurer's Report(Eric Johnson/Jessica Jacksie)
- a. General fund \$244,750.69
 - b. Rink fund \$1,115,620.42
 - c. Locker room/manager refund: sportsengine credits, email coming about check or credits.
6. Vice President of Business Operations Report (Nick Anthony)
- a. Concessions- WBSC now accepts credit cards. Saw an immediate increase in revenue with it at the Moose Goheen and high school games. Thank you Nicole Kopp for everything you've done this year for concessions.
 - b. Sponsorships - First edition of the season year book Bear Trax should be available in the next couple weeks. Thank you Kim Gillespie. You knocked this role out of the park in your first year. Raised \$33k in year 1 to go to our rink savings account! Very excited to see what we can do in the future.
 - c. Tournaments - wrapped up our last moose goheen's in early February. Emily St Martin and Paul Stauff did an unbelievable job with 8 tournaments over 4 weekends. It's a lot of work coordinating volunteers, working with the rinks, collecting payment and getting the schedule made. Great job!
 - d. Social Media - wanted to welcome Tesia Szyplinski as our social media coordinator. She has an abundance of experience managing business social media accounts Will get a message out membership on how to send content to her for posting in the coming weeks.
 - e. Web - keep an eye on the volunteers wanted tab on the home page as we will post board roles up for election as well as paid and unpaid roles that are essential to the success of our association.
 - f. Jerseys - very happy with Strauss and all they did for us this year. Next year we will have our 2 core jerseys that will be provided to teams from 8u4/mite 4 up through bantams. We will design a 3rd jersey as an optional purchase for teams who want it. Need to have consistency across the association. Thanks Andy Persby for the time put into this.
7. Vice President of Hockey Operations (Todd Wanka)
- a. D2 playoffs, parent says anything to officials, parents are kicked out-zero tolerance
8. President's Report (Chad Marquardt)
9. D2 Representative's Report (Joel Starke)
- a. WB D2 playoffs hosting tournaments
 - b. Referee change went well. 3,350 games scheduled
 - c. 2024 futures development 13U program
10. Director of Administration (Matt Ryan)
- a. Disciplinary hearings are up
 - b. 24 hour rule
 - c. Respect
 - d. Things are out of line, please report to board members
 - e. Board positions are open
11. Directors' Reports:
- a. Boys Director (Rick Kissner)
 - b. Girls Director (Jeff Rose)

- c. Mite Director (Mark Hennessy)
 - d. Boys Player Development Director (Ben Butters)
 - i. Summer Training Program (STP) update
 - e. Girls Player Development Director (Nicole Giefer)
 - i. Summer Training Program (STP) update
 - f. Junior Gold Director (Harley Greene)
 - i. Kids have been pretty good
 - ii. Year end banquet, can we use this bingo hall space; Harley connect with Kevin
 - 1. Available on Tuesday and Thursday nights
 - iii. One official gave Harley a handwritten note complementing them on how they played.
12. Old Business
13. New Business
14. Adjourn - 8:00

****GAMBLING TABLES****

December 2023 Financial Summary

Interest	Dec-23	Dec-22	YoY Change	Change %	'23 % of Ttl	'24 % of Ttl
Bingo Gross	\$246,308	\$145,107	\$101,001	70%	6%	4%
Bingo Prizes	\$210,350	\$106,407	\$103,943	98%	6%	3%
Bingo Net	\$35,758	\$38,700	(\$2,942)	-8%	7%	6%
Net\$ % of Gross	14.5%	26.7%		-12.14		
Raffle Gross	\$0	\$71,725	(\$71,725)	-100%	0%	2%
Raffle Prizes	\$0	\$17,656	(\$17,656)	-100%	0%	1%
Raffle Net	\$0	\$54,069	(\$54,069)	-100%	0%	9%
Net\$ % of Gross	#DIV/0!	75.4%		#DIV/0!		
Paddlewheel Gross	\$54,775	\$50,970	\$3,805	7%	1%	1%
Paddlewheel Prizes	\$45,980	\$41,896	\$4,084	10%	1%	1%
Paddlewheel Net	\$8,795	\$9,074	(\$279)	-3%	2%	1%
Net\$ % of Gross	16.1%	17.8%		-1.75		
Tipboard Gross	\$5,290	\$15,025	(\$9,735)	-65%	0%	0%
Tipboard Prizes	\$4,400	\$10,600	(\$6,200)	-58%	0%	0%
Tipboard Net	\$890	\$4,425	(\$3,535)	-80%	0%	1%
Net\$ % of Gross	16.8%	29.5%		-12.63		
E-Gaming Gross	\$1,822,397	\$1,860,230	(\$37,833)	-2%	46%	47%
E-Gaming Prizes	\$1,583,369	\$1,604,253	(\$20,884)	-1%	46%	48%
E-Gaming Net	\$239,028	\$255,977	(\$16,949)	-7%	44%	40%
Net\$ % of Gross	13.1%	13.8%		-0.64		
Pulltab Gross	\$1,844,734	\$1,853,222	(\$8,488)	0%	46%	46%
Pulltab Prizes	\$1,580,766	\$1,580,193	\$573	0%	46%	47%
Pulltab Net	\$263,968	\$273,029	(\$9,061)	-3%	48%	43%
Net\$ % of Gross	14.3%	14.7%		-0.42		
Total Gross	\$3,973,304	\$3,996,279	(\$22,975)	-1%		
Total Prizes	\$3,424,865	\$3,361,004	\$63,860	2%		
Total Pre-tax Income	\$548,439	\$635,275	(\$86,836)	-14%		
Net\$ % of Gross	13.8%	15.9%		-2.09		
Total Gambling Tax	\$177,257	\$204,220	(\$26,963)	-13%		
% of Pre-Tax Income	32.3%	32.1%		0.17		
Gross Profit	\$371,182	\$431,055	(\$59,873)	-14%		
% of Pre-Tax Income	67.7%	67.9%		-0.17		
Total Expenses (Allowable)	\$295,185	\$276,565	\$18,620	7%		
% of Gross Profit	79.5%	64.2%		15.37		
Net Profit Before Lawful P	\$75,997	\$154,489				
% of Gross Profit	20.5%	35.8%		-15.37		

Site Breakout	Net \$			
	2023	2022	Delta	% chg
White Bear Bar	\$626,949	\$92,242	\$534,707	580%
Sak's	\$454,677	\$78,057	\$376,620	482%
Doc's Landing	\$618,291	\$95,951	\$522,340	544%
Jimmy's	#####	\$199,247	\$922,224	463%
Bear Town	\$458,293	\$61,535	\$396,759	
Bingo Hall	\$168,804		#VALUE!	
McCarron's	\$0	\$0	\$0	
Stadium	\$0	\$0	\$0	
Fiesta Cancun	\$0	\$0	\$0	
Oct Total	#####	\$527,091	\$2,921,453	554%

Breakout of Expenses	Dec-23	Dec-22	YoY Change	Change %	'23 % of Ttl	'22 % of Ttl
Cost of Sales	\$33,176	\$37,453	(\$4,278)	-11%	11%	14%
Compensation	\$68,903	\$74,452	(\$5,550)	-7%	23%	27%
Penalty/Interest	\$0	\$0	\$0		0%	0%
Advertising	\$0	\$0	\$0		0%	0%
Accounting	\$3,304	\$3,617	(\$314)	-9%	1%	1%
License/Bond	\$0	\$126	(\$126)	-100%	0%	0%

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.

White Bear Lake Area Hockey Assoc.

Meeting Date: February 13, 2024

December 2023 Documents Provided for review:

- G1 - Lawful Gambling Monthly Tax Return
- LG100A - Lawful Gambling Receipts and Expenses by Site
- LG100C - Lawful Purpose Expenditures
- LG100F - Lawful Gambling Fund Reconciliation
- Schedule B2 - Lawful Gambling Report of Barcoded Games
- LG1012 Worksheet - Lawful Purpose
- Worksheet CS - Cash Shortages
- Worksheet E - Lawful Gambling Combined Receipts Tax
- Bank Register Details by Category
- Bank Register
- Bank Reconciliation
- Checking Account Summary from Royal Credit Union
- Played/Reported Inventory Report
- Month End/Physical Inventory

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.

review and approval.

Preapproval: Allowable Expenses for March 2024

The following sheet will break out expenses by category for approval. Any non-routine expenses will be listed in detail below.

Payee or Item to be Paid	Brief explanation of the purpose for each expenditure	Expense amount		Approved (Yes/No)
		Limit	or Actual	
Vadnais Plaza	Black Diamond Bingo Hall Rent (routine)		\$16,500	
Sanger LLC	Rent @ Beartown (routine)	\$9,000		
Sak's	Rent (routine)	\$13,000		
White Bear Bar	Rent (routine)	\$10,000		
Jimmy's Food & Drink	Rent (routine)	\$34,000		
Doc's Landing	Rent (routine)	\$11,500		
Advertising (paper)	Advertising	\$4,000		
Facebook	Advertising	\$5,000		

Preapproval: Lawful Purpose Expenditures for March 2024

Payee	Brief explanation of the purpose for each expenditure	LPE Code	Amount	Approved (Yes/No)
City of White Bear Lake	Local Taxes	A-8	\$500.00	
City of Vadnais Heights	Local Taxes	A-10	\$9,500.00	
White Bear Lake Area Hockey Assoc.	Donation	A-1	\$400,000.00	

WHITE BEAR HOCKEY
MEMBERSHIP APPROVAL FOR PROJECTED
CHARITABLE GAMBLING EXPENSES
FOR THE MONTH OF MARCH 2024

Allowable Expense Items for each month - All expense amounts are up to:	March-2024 Estimated Expenses	March-2023 Actual Expenses	December-2023 Estimated Expenses	December-2023 Actual Expenses	December-2023 Variances Approved?
Advertising	\$8,000	\$1,492	\$8,000	\$0	
Cost of Games to Distributors (routine)	\$40,000	\$39,335	\$40,000	\$33,176	
Compensation and payroll taxes (routine)	\$90,000	\$98,929	\$65,000	\$68,903	\$3,902.59
Accounting/Consulting (routine)	\$4,000	\$3,596	\$4,500	\$3,304	
Bank Charges	\$0	\$0	\$0	\$0	
Miscellaneous supplies	\$7,500	\$14,228	\$7,500	\$28,966	\$21,466.49
Equipment, Purchase, lease and maintenance	\$20,000	\$47,261	\$20,000	\$0	
e-Tab/le-Bingo Equipment Rental/Provider Fee (routine)	\$85,000	\$84,261	\$85,000	\$83,150	
Bond/License/Insurance	\$0	\$0	\$0	\$0	
Rent (routine)	\$94,000	\$66,403	\$95,000	\$80,872	
Cash Short/Long	\$0	\$2,333	\$0	(\$2,185)	
Total Allowable Expenses	\$349,500	\$367,828	\$325,000	\$295,185	(\$29,815.27)
Comb. Rec. Tax, Gambling Tax & Board Fee	\$219,339	\$218,051	\$222,346	\$177,257	
Local Tax Requirements	\$10,000	\$4,880	\$10,000	\$0	
Federal/State Taxes and Fees	\$0	\$0	\$0	\$0	
Total Taxes and Fees	\$229,339	\$222,931	\$232,346	\$177,257	(\$55,088.81)
Donations	\$400,000	\$0	\$0	\$0	
Total All Expenses	\$978,839	\$590,759	\$557,346	\$472,442	(\$84,904.08)

Prepared by Kevin Bergeman, Gambling Manager