



Executive Governance Summary

White Bear Lake Area Hockey Association Lawful Gambling Fund

White Bear Lake, Minnesota

For the year ended April 30, 2023



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October 25, 2023

Board of Directors and Members of the
White Bear Lake Area Hockey Association
Lawful Gambling Fund
White Bear Lake, Minnesota

We have audited the financial statements of the White Bear Lake Area Hockey Association Lawful Gambling Fund (the Association) as of and for the year ended April 30, 2023 and have issued our report thereon dated October 25, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 31, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements of the Association as of and for the year ended April 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. However, material weaknesses may exist that have not been identified.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in Note 3 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except for the change in accounting for inventory to the cash basis. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements noted during the audit

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 25, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors and Other Audit Findings

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Our principal observations and recommendations are summarized below. These recommendations resulted from our observations made in connection with our audit of the Association's financial statements for the year ended December 31, 2022.g

During our audit we noted several prize tickets that were not defaced. We recommend that the Association review and update its procedures related to the counting of games to ensure there are no discrepancies.

During our audit we noted some unsold tickets with an incorrect serial number. We recommend that the Association review and update its procedures related to ensuring games have the correct serial numbers related to them.

During our audit we noted that there were several paddleticket games where the date of the deposit was more than 4 days after the date of removal. We recommend the Association ensures that they are following the correct guidelines when it comes to the deposit and removal date.



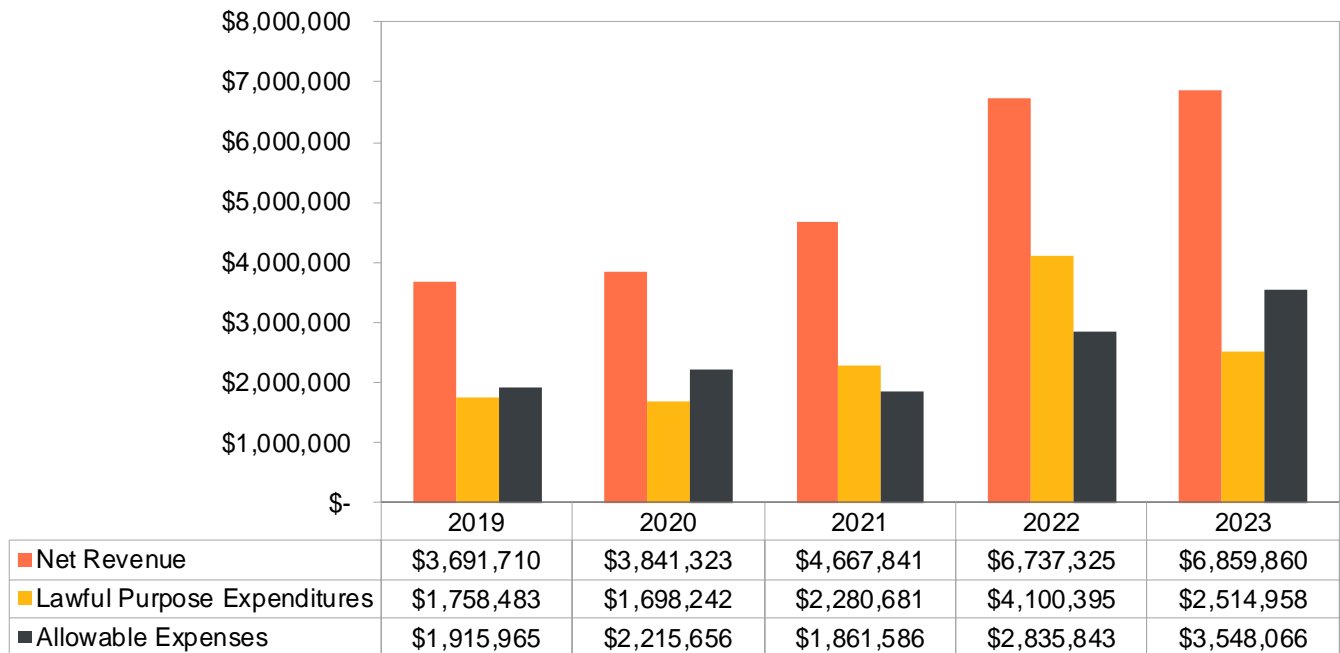
Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements - regulatory basis, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the Department of Revenue of the State of Minnesota "regulatory basis," the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements - regulatory basis. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements - regulatory basis or to the financial statements themselves.

The financial statements - regulatory basis include a compliance checklist completed based on information provided by management. As part of obtaining reasonable assurance about whether the financial statements - regulatory basis are free of material misstatement, we completed the Regulatory Checklist Questionnaire that is attached to a report on the checklist. The objective of our audit of the financial statements - regulatory basis was not to provide an opinion on compliance with such provisions. Accordingly, we did not express an opinion on compliance.

Summary of Operations

The following graph summarizes the results of operations for the past five years.



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This report is intended solely for the information and use of the management, others within the Association and the State of Minnesota and is not intended to be and should not be used by anyone other than these specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the opportunity to be of service and for the courtesy and cooperation extended to us by your staff.



Abdo
Minneapolis, Minnesota
October 25, 2023

