

CGAA Main Board  
Meeting Minutes  
Sunday, May 14, 2023, Start Time: 7:30 PM  
Action items are listed in **red** beneath each division/person

In Attendance:

Dan Harrison - President, Main Board  
Kim DeVann - Treasurer, Main Board  
Michelle Harrison – Secretary, Main Board  
Rick Schreier – Soccer  
Kati Stewart – Lacrosse  
Diane Janski – Gambling Manager  
Tina Clark – CGAA Bookkeeper  
Chris Rudh – Hockey  
Amanda Albert - Softball  
Jackie Turvold– Volleyball  
Justin Langbehn - Vice President, Main Board  
Tim Kaplan– Baseball  
Brad Pedersen – Football  
Phil Kuemmel – Park High School  
Angela Sell - Basketball

Not in Attendance:

Meeting called to order at 7:31

**Phil Kuemmel** – Athletic Awards ceremony is May 31, 2023, at 6:30 in Cafeteria. Awards around 7:15. Pizza will be served. CGAA scholarships awarded that night. **Let Phil know who will present, and if not, he needs to know so that the coach of that sport can be notified.** Casey O’Brien is speaking (cancer survivor/holder for the football team at the U)

**MSP Approve April Minutes Turvold/Pedersen carries**

**Gambling meeting opened at 7:37**

Slower month for April, it usually is. Pulltabs and Bingo were down. Etabs were \$1.3 million gross. Loss of \$13,090.54. That was etab fees and taxes.

Checkbook balance: \$220,183.88

Shortages were down; Clover Leaf lost a winner slip, so they are off, but usually not off at all.

Motion was added last month, included in April minutes.

It was: The gambling expenses approved in the April meeting were \$155,000. We have had higher Etab expenses than expected. We need to increase the approved expenses to \$166,229.31. The calculation of this expense has been clarified and it should be forecasted more accurately in the future.

Dan Harrison made a motion to increase the estimated gambling expenses for April 2023 from \$155,000, which was approved at the April meeting, to \$166,229.31. Michelle has agreed to second the motion (9:58 am 5-4-2023).

May 8, 2023 (7:22 AM)

With 7 approves and 4 no replies to the motion passes

**Motion to pay: State of MN \$103,742.67 gambling tax**

**Janski/Albert carries**

Motion to pay: CGAA Main Board \$4,200.00  
Motion to pay: Estimated expenses \$170,000.00

Janski/Pedersen carries  
Janski/Kaplan carries

Gambling meeting closed 7:52  
Main board meeting reopened 7:52

**Brian Russell** is here about our audit report.

Key Points:

- Report went out about responsibilities and audits
- Audit and financial statements were both reviewed
- We have a qualified opinion as of September 2022
- No problems with our organization, in fact they commend the leadership of CGAA
- Management team sent them all info and sent in doc saying that no outside accountants were used last year

Internal controls deficiencies:

- 1) segregation of duty This is here based on size of staff and assignments. For example, person who opens mail and pays and keeps balance, would all be different people in a perfect world.
- 2) No full-time staff of CPAs. We outsource to Russell and Assoc. and they are not part of our internal controls.

Management comments:

- 1) Tips not reported correctly. This should be in software and controls.
- 2) Leases accounted will be in next report. (Asset and right of use asset for long time leases)
- 3) Debit cards used for significant purchases. Keep in mind, these are for emergency purposes only. This should follow normal operating procedures. We are not a small organization. We are a significant business. In gambling alone, we do 27 million revenues. Player fees are almost 1.7 million. Receipts lack proper supports; this should be filed in different ways with original invoices. Fundraising - 990 tax filing should be reported and broken down in correct ways.
- 4) should not be reimbursing people after personal cards come. For example, in 2022, \$90,000 was purchased by a **person** and then repaid and it was over \$120,000 in the year prior. Big number to be handled that way.
- 5) Gas to get uniforms, etc. Mileage records must be paid.
- 6) Purchases went to homes, not CGAA.
- 7) Home tournament checks are being held; it should go to bank ASAP.
- 8) Request for payment should have payment approval process. Approval was not always obtained.
- 9) Outdated Conflict of Interest statements by board members. Should be done annually.

Qualified opinion on our financial position:

- 1) \$2.7 million in cash in bank accounts. Up from end of previous year. \$831,000, \$613,000 of which are deferred revenue.
- 2) \$4.6 million net gambling revenue with \$4.7 million in expenses, so paperwork is very important.

We have significantly improved. We have taken advice and improved so many things and are a board that cares. The number of kids that we serve is impressive.

Questions: Jackie asked how we get around things like shipping and using debit cards. Brian answered that we must remember that the IRS and Dept of Revenue have standards, especially for Not for Profits.

**Tina Clark - bookkeeper:**

Open items: Reports went out today

Missing items: Basketball February and March minutes, Football and Volleyball March

We will revisit overages next month. Tim and Tina will talk about the overages of the project.

**Treasurer's Report: Kim DeVaan**

Balance sheet – \$2,300,636.72 total cash in the bank. With CD, that amount is \$2,553,084.76.

Total assets: \$2,704,965.03.

*P & L:* Reminder the P&L is without gambling – overall favorable

Many very close to budget right now.

Favorable: Lacrosse, soccer, football, hockey, softball, volleyball, Main Board

Unfavorable: Baseball (timing of registration), Basketball (increased expenses, will remain for rest of budget schedule)

**MSP:** Operating costs not to exceed \$11,000

DeVaan/MHarrison carries

**Division Reports:**

**Baseball:** Proposal to make:

Batting cages took a beating in the snow. Midwest Fencing looked this week after they tried fixing themselves first. The basic repairs need to be done. The piping is dangerous. CGAA Baseball will be fixing Woodridge, Hamlet and CGMS. Would like to tear down Woodridge, Hamlet 1-4. Includes concrete and will be safe size. They would be sets of 2 cages. Open to rec and travelling. Baseball would pay any overages out of their own budget. Code key lock on a fence.

**MSP:** Tim moved to spend money on 2 Cages (Hamlet 1-4 and Woodridge) at each site totaling \$44,000. Baseball will pay overages. City would provide teardown and removal.

Kaplan/Langbehn carries

**Volleyball:** All good.

**Softball:** Inhouse kicks off tomorrow, 49 teams in tourney. Someone got a debit card number (treasurer's card) Amanda's card was being used at Caesar's Palace. Dan got involved and has a fraud investigation going right now. Hoping it will be cleared.

**Football:** Spring football just ended.

**Lacrosse:** Season is going.

**Basketball:** Quiet right now. Tryouts coming up in September. New treasurer is Chris Snow.

**Hockey:** New board members – big planning time. Registering for tourneys in June. Golf tourney coming up this summer. HS job interviews coming up.

**Soccer:** Heart of the season, working on the turf estimate, as well.

**Justin Langbehn/VP:** Conflict of interest is all on website. **Justin will send a link to everyone so it can be present on all websites.**

Please get background check out to all board members. **Next month, lets discuss the background check information sharing again.**

**Dan Harrison/President items:**

Next month we will revisit background checks.

We will get a system going for the projects that get approved.

As Brian Russell said, it is of upmost importance that we continue to follow IRS rules.

**MSP: Motion to close meeting**

Meeting closed 9:38

Next meeting, June 11, 2023

**MHarrison/Kaplan carries**