

White Bear Lake Area Hockey Association  
Monthly Gambling Meeting  
(Open to all Membership)  
January 11, 2012

1. The following members were present: Todd Meier, Jeff Martin, Kristi Schillinger, Steve Snyder, Jesse Fiddle, Brian Cunningham, Pat Jackson, Allen Illgen, Chris Olson, Darren Olson, Chris LeClair, Jessy Goeltl, Shawn Pogreba, Jeff Anderson, Garret Hofeld, Sherry meier, Jim Kloos, Sean McCoshen, Jen Goudreau
2. Meeting called to order at 7:00pm by Todd Meier

Pat Jackson motioned to approve meeting minutes from December. Kristi Schillinger seconded.  
Motion carried.

Net Profit (\$3,104.66)

Pulltabs sales are up \$58,490 from October

Paddlewheel sales are up \$900 from October

Bingo sales are up \$546 from October

Net Profit \$59,491

Net Profit \$ 770

Net Profit \$ 1,040

\$61,013

Cash Long/Short: (\$288)

Shortage Numbers – Total Volume Sold = Approx. \$317,646 in tickets

[WB Bar (\$17), Saks \$0, Stadium (\$264) and Jamesons (\$7)]

Payout %: 81.27%

Continue to look at ways to decrease shortages and payout percentages including guidelines to sellers, communication of statistics, practice changes, consistent monitoring and discipline, as needed.

Allowable Expenses (December 2011)

- Routine

Lawful Purpose expenditures (December 2011)

- Routine (City of WBL taxes)
- Routine (City of Vadnais Heights)

Saks Sports Bar

- We had a fund loss on December 26, 2011 at 11:30pm. Employee working stated there were a group of four guys playing pool next to the book during the night and they must have been watching him. As he was closing and locking the booth one of the doors wouldn't lock, as he was working on getting it closed someone jumped across the booth counter and grabbed a bank bag. The bag they grabbed contained our Bingo Bank which was \$1,004. Employee called the police and filed a police report. The Saks site management was able to track a credit card transaction to the group of guys and gave that information to the officer handling the case.

As we've been through this before, I would suggest that we go ahead and reimburse the gambling account from the general account, which is proper procedure. We will need to file a Fund Loss Adjustment through MN Gambling Control and send all needed information to them.

Employees

- Hired the following new employee: Jen Godbout – paperwork submitted to MN Gambling Control
- Christmas bonuses were paid in the amount of \$850 for 24 employees
- Employee performance reviews will be conducted in February

Custom Ticket

- Have a release for President to sign to release logo in event we want to use it on our custom pulltab ticket. The custom game would be played at all four sites.

- Jeff Martin motions to waive logo usage fee for custom ticket. Allen Illgen seconded. Motion carried.

#### Storage Unit

- Will need to add a storage unit. Currently have two units to hold our pulltab games for 3 ½ years. Both units are full at this time and will be approximately a year before we can shred any pulltabs. Cost of new unit will be approximately \$1,200/year.

#### New Shortage Policy

- Large shortage incurred at the White Bear Bar in December 2011. An employee was short \$1,240 during their shift on December 14, 2011. Employee has agreed to repay this shortage. Since we've never incurred a shortage of this size before I contacted MN Gambling Control and during our discussion realized there is a "grey" area regarding shortages and repayments. Essentially, they have rules in place but they are hard to follow:
  - MN Gambling Control – for a booth operation, if the cumulative cash shortages for the fiscal year (July 1 – June 30) exceed 0.3% of the gross receipts per site, the gambling account must be reimbursed for the excess amount from a non-gambling source by July 20 (at \$3M in gross sales this would be approximately \$9,000 in shortages, however, it would be on a per site basis).
  - MN Gambling Control – if deposits are not made within four (4) business days of pulltab game being closed, raffle or bingo occasion, we run the risk of being fined by MN Gambling Control.
  - Previously WBLAHA policy for shortages allowed sellers to pay back shortages and they were not given a written warning for misconduct. If they elected not to pay back a shortage the seller may potentially receive a written warning of misconduct. Shortages were paid back but no timeline was set.
  - MN Gambling Control – if we allow sellers to pay back shortages we could potentially be fined for not having our deposit made within four (4) business days. If a seller says they will pay back a shortage and then do not follow through the association is responsible for the repayment of this shortage and it will need to be paid out of the general fund.
  - New WBLAHA Shortage Policy – sellers are allowed to pay back "large" shortages. Depending on the amount of the shortage, the seller may be given a written warning of misconduct even if they pay back the shortage. When an employee is more than \$10 short during their shift they will receive a shortage report which outlines the shortage, it will be signed by the seller and the gambling manager. This will help to track large shortages. If a seller chooses to repay a large shortage they will need to complete a "Volunteer Repayment of Shortage" form which outlines the shortage and when they will be repaying the shortage. This will be signed by the employee, the gambling manager and approved by the CEO (president). Employees can volunteer to repay shortages but we cannot force them to do so.
  - I will keep a running total for the month of shortages in a spreadsheet.
- Consensus from people I talked to was that it is better to try to collect the money from these shortages and risk being fined by MN Gambling Control as they will see that we are trying to not have "missing" money and having these policies in place to show that we are tracking shortages and can show when and where the money will be paid back and why.

#### Jamesons

- We had a \$5 pulltab game in play which gave out all winners right away. You will see on the checkbook register that on 12/5/11 I replenished a pulltab game in the amount of \$2,340 and pulled the game. I've never had this happen before so I contacted MN Gambling Control and they instructed me on how to remove the game.
- Our bingo and raffle on Tuesday nights has been struggling. We need to get people to come in to play. They have great food and drink specials during bingo. I changed the raffle to Jamesons gift cards.

#### Gambling Expansion Vote

- The announcement for the special meeting to vote on the expansion of the gambling organization was posted on January 11<sup>th</sup> in the White Bear Press. The announcement reads as follows:

- o "The WBLAHA will hold a special meeting for WBLAHA members for a one year expansion plan of the charitable gambling operation on Monday, February 13, 2012 at WB South Campus Auditorium. A paper ballot vote being held from 6:00pm to 7:00pm.
- Depending on the outcome of this vote on the 13<sup>th</sup> I will meet with the owner of Mad Jacks to see if they are still interested in having WBLAHA conduct charitable gambling at their site. The last time I spoke with the owner he was frustrated with the amount of time it was taking for us to give him a decision.

#### Compensation for Jamesons Site

- I would like to motion for a \$600/month increase in compensation, retroactive to October 1, 2011, for the Gambling Manager for the addition of the Jamesons site.
  - o Motion amended by Brian Cunningham based on the production of an employee handbook for all employees.
  - o Motion seconded by Brian Cunningham. Motion carried.

#### Questions from Board Meeting in November

- Brian had some questions and concerns regarding our internal controls and our audit that was conducted by James Fraser. James responded to my email on December 18 stating that what Brian was reading was standard wording for an audit. What he stated was, "an auditor tests and verifies financial data but not necessarily internal controls. An auditor reviews the systems of internal controls to see that they are followed and also looks for incompatible functions amount personnel. I did not find any issues there. I believe you have an adequate system."
- Brian and I met on Monday morning and I explained the outline for our charitable gambling and internal controls. Lawful gambling in the state of MN is overseen by the MN Gambling Control board and every pulltab, piece of bingo paper, raffle ticket and dollar is accounted for. Each month I do our monthly taxes and this information goes to the Department of Revenue and is reviewed by MN Gambling Control. Our internal control worksheet has been completed, reviewed and approved by MN Gambling Control and we are in compliance.

Pat Jackson motioned to reimburse the gambling account for the loss of the bingo bank in the amount of \$1,004 taken from Saks on 12/26/11. Kristi Schillinger seconded. Motion carried.

Kristi Schillinger motioned to approve for the first time for March and the second time for February. Pat Jackson seconded. Motion carried.

Pat Jackson motioned to adjourn. Kristi Schillinger seconds the motion. Motion carried.

Meeting adjourned at 7:55pm.

White Bear Lake Area Hockey Association  
Monthly Board Meeting  
(Open to all Membership)  
January 11, 2012

1. The meeting was called to order by Todd Meier at 8:04pm.
2. The following members were present: Todd Meier, Jeff Martin, Kristi Schillinger, Jesse Fiddle, Steve Snyder, Brian Cunningham, Allen Illgen and Pat Jackson
3. Approval of agenda. Kristi Schillinger motioned to approve the agenda. Jeff Martin seconds the motion. Motion carried.
4. Meeting minutes for December 2011 were presented. Kristi Schillinger motioned to approve the minutes. Pat Jackson seconds the motion. Motion carried.
5. Secretary's Report: Kristi Schillinger
  - Still working on long-term meeting location
6. Treasurer's Report: Jeff Martin
  - Not a lot of activity
    - Concession: \$4,026.82
    - General: \$50,858.87
    - Rob Sund: \$2,959.93
    - Savings: \$9,360.17
    - Tournament: \$88,136.50
  - I make a motion to approve the budget. Jesse Fiddle seconds the motion. 8 in favor, 1 opposed. Motion carried.
7. Vice President's Report: Dennis Olson
  - Not in attendance
8. President's Report: Todd Meier
  - Receiving more emails this year than in years past regarding parent issues at tournaments
  - Introduced Kimberly Lowe who is auditing the association's policies and procedures
  - Kimberly provided following information:
    - Auditing from an IRS and legal compliance perspective going back to 2007
    - Finding that historic policies and procedures not documented in writing
    - You have a very complicated organization, which is not unlike other youth organizations
    - Governance structure needs to be reorganized
    - Desire for transparency hindering organization's ability to function properly vs helping
    - Approximately 75% complete
  - Kimberly answered questions from members in attendance
- D2 Representative: Garrett Hofeld
  - Invoice for ref fees still open
  - Score sheets need to be mailed to level directors and not the D2 PO Box
  - Game time increase – 1 minute added to Bantam B2 & C
  - D2 may be looking for website administrator
  - WB, Tartan & Forest Lake sent in letter to USA Hockey for free mite equipment and WB has been selected to receive said equipment. Please advise on where you would like it delivered.
  - Game misconducts are down
  - As of Monday no charges made in D2 situation. Info is with Washington County.
9. Director's Reports:
  - C Level Director: Brian Cunningham
    - Number of issues with player injury reports – completed four or five of them
    - Player behavioral issue at tournament that has been resolved
    - Sending email for mid-season reviews but not getting many back
    - Will be setting up impact testing

- Player Development: Allen Illgen
  - Goalie clinics – 9 sessions w/33 kids per session
  - Mite teams participating in Winter Carnival Jamboree
  - Couple of Mite teams will be participating in Hockey Day MN
  - Engaged contractors to discuss rate reduction in exchange for contract extensions
  - Sweet Hands challenge – have received items from some of our sponsors
  - Looking into an equal play policy and will be pulling together a committee of primarily current and past coaches
- Girls Director: Steve Snyder
  - Had 70 girls go through impact testing in December
- Junior Gold Director: Pat Jackson
  - Inquired about parameters for legal counsel
  - Manager questions – think teams have money coming to them and possibly need to take money back from 16U team
  - As team fees come due related to scholarships – how were families notified? Were checks written to teams?
- Traveling Director: Jesse Fiddle
  - Mid-season reviews sent out January 2<sup>nd</sup> – received 17 back so far and only two had something negative in them; will be re-sending to managers
  - Confirmed that all my coaches have completed their CEP requirements and just a couple have modules yet to finish
  - Association will need to find a new Tournament Director as the Fiddle's are stepping down as of March 1, 2012
  - All remaining tournaments are full

10. Open Forum

- If we secure contractors now aren't we handcuffing new Player Development Director if Allen isn't running?

11. Unfinished Business

12. New Business

13. Discussion

14. Meeting Adjournment. Kristi Schillinger motioned to adjourn meeting. Pat Jackson seconds motion. Motion carried.

Meeting adjourned at 9:05pm