CITY OF STOCKTON RESOLUTION TO AMEND CITY ORDINANCE LICENSING AND REGULATING THE CONDUCT OF GAMBLING AND PROVIDING A PENALTY FOR VIOLATION

The City Council having heretofore duly passed and adopted a city ordinance dated July 14, 1982, providing for authorizing licensing and regulating the conduct of gambling and providing a penalty for violation within the said city hereby amends Sections 7 and 9 of said ordinance to read as follows:

Section 7. Conduct of Gambling.

Subdivision 1. Gambling Manager and bookkeeper. All operation of gambling devices and the conduct of raffles shall be under the supervision of a gambling manager and a bookkeeper, both to be designated by the organization. Both will be responsible for gross receipts and profits from gambling devices and raffles and for their operation. Both shall be responsible for using profits for a proper purpose.

Subdivision 2. Qualifications of gambling manager and bookkeeper. The gambling manager and bookkeeper shall each be an active member of the organization and shall qualify under state law. The gambling manager and bookkeeper must be at least 18 years of age or older.

Section 9. Reporting Requirements.

Subdivision 1. Gross Receipts. Each organization licensed to operate gambling devices shall keep records of its gross receipts, expenses and profits for each single gathering or occasion at which gambling devices are operated or a raffle is conducted. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the

amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of profits shall be itemized as to payee, purpose, amount, and date of payment. A yearly audit will be conducted in January. The audit committee will be comprised of the president of the licensed organization, a member of the City Council, and the City Clerk. Records will be available to any Council member or member of the licensed organization at any time.

Subdivision 2. Separation of Funds. Gross receipts from the operation of gambling devices and the conduct of raffles shall be segregated from other revenues of the organization, and placed in a separate account. All money, except for an agreed amount needed for change, shall be banked at least twice a month. The person who accounts for gross receipts, expenses and profits from the operation of gambling devices or the conduct of raffles shall not be the same person who accounts for other revenues of the organization.

Subdivision 3. Monthly Reports. Each organization licensed to operate gambling devices or to conduct raffles shall report monthly to its membership, and to the city clerk, its gross receipts, expenses and profits from gambling devices or raffles, and the distribution of profits. Monthly bank statements will be turned in to the president of the licensed organization. The licensee shall preserve such records for three years.

Passed this 13th day of September, 1984 by the City Council of Stockton, MN.

Attest: Ruth Elaine Brown Hadwin Lee Henry, Sr.

Clerk Mayor