

**AN ORDINANCE OF
THE CITY OF KERKHOVEN
PERTAINING TO LAWFUL GAMBLING ESTABLISHMENTS**

ORDINANCE NO. 91

**CONTRIBUTIONS OF 10% OF NET PROFITS DERIVED FROM LAWFUL GAMBLING CONDUCTED AT PREMISES
WITHIN THE JURISDICTION OF THE CITY REQUIRED.**

1. Pursuant to the provisions of M.S. § 349.213/1, every organization, establishment or facility licensed by the State of Minnesota to conduct lawful gambling in the City of Kerkhoven shall file with the City Clerk copies of the reports filed with the State of Minnesota Gambling Control Board showing the gross receipts and net receipts from lawful gambling, net profit therefrom and all expenditures for a “lawful purpose” as defined by statute.
2. The reports required by this section shall be filed quarterly with the City Clerk on the same date as or prior to the time the reports are required to be filed with the State Gambling Control Board.
3. The terms and phrases used in this section shall have the meaning given to them in Minnesota Statutes, Chapter 349.01, et. seq.
4. Every organization, facility or establishment licensed by the State of Minnesota to conduct lawful gambling in the City of Kerkhoven shall pay to the City of Kerkhoven, an amount equal to 10% of the net profits derived from lawful gambling conducted at premises within the jurisdiction of the city. Said payment shall be made to the City Clerk of the City of Kerkhoven no later than 10 days following the quarterly filing of reports with the City, as set forth above.
5. The contributions of 10% of net gambling profits received by the City shall be administered by the City of Kerkhoven pursuant to law. The City may disburse funds for the following:
 - i. Lawful purposes as defined in M.S. § 349.12/25; or
 - ii. Police, fire and other emergency or public safety related services, equipment and training, excluding pension obligations.
6. The City of Kerkhoven shall establish a separate fund in its financial records that will account exclusively for all receipts and expenditures of the 10% Contribution Fund.
7. The City shall submit an annual report to the Gambling Control Board listing revenues and expenditures in the 10% Contribution Fund for the previous calendar year, utilizing forms provided by the Gambling Control Board.
8. Upon request of the City Clerk, any organization, facility or establishment licensed by the State of Minnesota to conduct lawful gambling in the City of Kerkhoven shall provide other supporting financial reports and related documentation, including all relevant records, books and documents to ensure compliance with this Ordinance.
9. The City Council of the City of Kerkhoven shall sit as the 10% Contribution Fund Committee, and shall make expenditures from the said fund by resolution. Funds shall be expended from the account within a reasonable time from the date they are received.

Penalty. Failure to comply with the requirements of this Ordinance shall be a misdemeanor. The City Clerk shall immediately report any violation of this section to the State Gambling Control Board with a request that the license of the violating organization be suspended or other appropriate sanctions be instituted.

Effective Date. This Ordinance shall be effective from and after its adoption and second publication.

This Ordinance introduced by Councilman Hauge on November 13, 2001

This Ordinance published on November 21, 2001

Public hearing held December 10, 2001

This Ordinance adopted December 10, 2001

This Ordinance published second time December 13, 2001

/s/ Mona Doering, City Clerk

/s/ Tim Fiebiger, Mayor