To clarify the Annandale Lions Club's position on site game and cash security, here is some information and facts from the Minnesota Gambling Control Board (GCB).

Every year the GCB reviews over \$100k in fund losses. They either "deny" or "permit" the loss.

- Losses that are "permitted" were those deemed to be outside the control of the site and organization such as destruction by fire. These are not required to be repaid.
- Losses that are "denied" must be repaid to the gambling account from other sources. I.e., a check from the site and/or organization membership.

Losses were categorized in three basic groups; break-in/burglaries, theft and counterfeit.

- Counterfeit issues, whether cash or game tickets, are never permitted since it is the responsibility of the site's sellers to insure all cash is valid and redeemed ticket serial number matches the currently inplay game at the site.
- Theft was one-fourth of the reported claims and rarely permitted since it is the site's and organization's responsibility to insure:
 - Their employees are honest, not cheating the rules or outright stealing.
 - Games and game banks are out of patron's reach and not left unattended*.

Which brings us to break-in/burglaries, where a "significant" number of losses were denied because the site/organization had not properly secured cash and games.

The GCB expects all cash after hours is locked in a safe that cannot be carried off.

- No cash is left in game drawers.
- Safes (that can be carried) are bolted to wall/floor.
- Safes are closed and locked each night.
- Safe keys are not left in the lock, safe codes are not taped to the front, etc.
- Game inventory is kept in a secured room or location.

Break-ins, strong arm theft and the like must be reported immediately to the police/local law enforcement. Any loss must be reported to the GCB within 60 days to even be considered.

If the site does not make a reasonable attempt to comply with the above, the Annandale Lions club will hold site responsible for any loss occurred.

*While the GCB does not mandate camera systems, we highly recommend having one that is trained on the game box area from multiple angles and on the safe. Obvious cameras are a good initial deterrent during business hours. Recordings could very well make the difference in a GCB decision but could also quickly resolve disputes with employees or patrons.

Thanks you

Steven Bergesch Annandale Lions Club Gambling Manager