

**DRAFT MINUTES**

Charitable Gaming Board  
Department of Agriculture and Consumer Services (VDACS)  
Patrick Henry Building  
Meeting Room 1 (East Reading Room)  
1111 East Broad Street  
Tuesday, October 2, 2024

**CALL TO ORDER**

Ms. Joanne Smith called the meeting to order at 10:01 a.m.

Ms. Smith asked members and the public for a moment of silence for those devastated by Hurricane Helene. Ms. Smith asked Mr. Michael Menefee to call the roll.

**MEMBERS PRESENT:**

Ms. Joanne Smith, Vice-Chair  
Mr. Mark Biladeau  
The Honorable Tyrone Foster  
Mr. Michael Kimlick  
Ms. Bonnie Whitlock  
Mr. Anthony Williams

**MEMBERS ABSENT:**

The Honorable Dirksen Compton, Chair  
Mr. Anthony Amos  
Ms. Rebecca Johnson

**VDACS STAFF PRESENT:**

Mr. Joel Maddux, Deputy Director, Division of Consumer Protection  
Mr. Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs

**OFFICE OF THE ATTORNEY GENERAL STAFF PRESENT:**

Mr. Justin Bell, Assistant Attorney General, Office of the Attorney General

Mr. Menefee informed Ms. Smith that a quorum was present.

**APPROVAL OF MINUTES**

Ms. Smith asked members to review the draft minutes of the June 20, 2024, Board meeting and after which, she asked for a motion to approve them. Mr. Anthony Williams motioned approval of the draft minutes as presented. The Honorable Tyrone Foster seconded the motion, and it passed by a unanimous vote.

### **REPORT FROM BOARD MEMBERS**

Ms. Smith asked members whether they had any reports for the Board. Mr. Michael Kimlick reported smaller American Legion's posts face challenges with meeting the Use of Proceeds (UOP) requirements for electronic gaming/pull-tab devices, which is set at 20% of adjusted gross receipts. Mr. Kimlick explained that the UOP requirement has significantly impacted the cash flow for these smaller American Legion's posts. Mr. Kimlick further explained that typical donations from these posts are made based on their fiscal year, which begins on July 1 and ends on June 30 of the following year. As such, these donations based on the organization's fiscal year conflicts with the annual UOP requirement, which is based on a calendar year, so it is causing cash flow issue within the post. Ms. Smith agreed with the comments made by Mr. Kimlick.

Mr. Mark Biladeau said that Atlantic Bingo Supplies, Inc. offers a guidance booklet on the regulatory requirements, which the booklet has a section on UOP for organizations to review. Mr. Kimlick provided a compliment about the booklet. With no further comments from members, Ms. Smith moved on to the next item on the agenda.

### **OLD BUSINESS**

Ms. Smith asked members whether there was any old business that needed to be discussed by the Board. With no comments from members, Ms. Smith moved on to the next item on the agenda.

### **NEW BUSINESS**

Ms. Smith asked Mr. Menefee for an update on the Online Financial Reporting System, upcoming stakeholder meeting and regulations.

Mr. Menefee informed members VDACS's Online Financial Reporting System is undergoing changes to incorporate Texas Hold'em poker tournaments, and as such, organizations are required to submit hard-copy financial reports into VDACS until the changes are complete. Mr. Menefee stated that he expects these changes to be complete between late November to mid-December. Also, Mr. Menefee informed members VDACS will be conducting a stakeholder meeting with to solicit public comments on prize limitations, as required by Chapter 491 of the 2021 Acts of Assembly. Mr. Menefee asked Mr. Maddux to provide an update to members on the regulations.

Mr. Maddux informed members that due to the Board changing from a policy board to an advisory board, the Board's public participation policy needs to be updated accordingly. Mr. Maddux also explained that the Charitable Gaming Regulations need to be amended in order to incorporate certain legislative changes, such as charitable gaming registrations, temporary permits, annual fundraising events, and real property used for a charitable, religious, community or educational purposes. Lastly, Mr. Maddux briefly explained the regulatory process that VDACS must follow to adopt these updates and changes as well as the difference between the fast-track and normal regulatory process.

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Ms. Smith asked members whether they had any questions for Mr. Maddux or Mr. Menefee or comments on the information presented to them. With no questions or comments from members, Ms. Smith asked members for any comments or motion on the UOP requirement.

Mr. Kimlick made a motion to create a UOP subcommittee to review the UOP requirement for electronic gaming/pull-tab devices and make any recommendations whether to change it. Ms. Bonnie Whitlock seconded the motion, and it passed by a unanimous vote. Mr. Justin Bell recommended to the Board that at least four members serve on the UOP subcommittee and as such, Mr. Kimlick, Mr. Whitlock, Ms. Smith and Mr. Biladeau offered to serve as the subcommittee. With no comments from members, Ms. Smith moved on to the next item on the agenda.

**NEXT BOARD MEETING**

Ms. Smith asked members on their availability to attend the next Board meeting tentatively scheduled on Wednesday, December 18, 2024. After discussing member's availability, the Board agreed to meet on Wednesday, December 18, 2024, at 10:00 a.m.

**PUBLIC COMMENT**

Ms. Smith asked for public comments. Mr. Bob Jekanowski with Grover Gaming, Inc., who offered comments regarding the UOP requirement.

With no further public comment, Mr. Kimlick motioned for the Board to adjourn, which was seconded by Mr. Williams and the motion passed. The Board adjourned at approximately 11:45 p.m.

Respectfully submitted,

Michael Menefee  
Program Manager  
Office of Charitable and Regulatory Programs