



**CITY OF KOTZEBUE
RESOLUTION NO. 24-38**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DIRECTING THE CITY ADMINISTRATION TO TAKE THE NECESSARY STEPS TO OBTAIN A GAMING PERMIT FOR PULL-TAB OPERATIONS BY THE CITY OF KOTZEBUE AND TO INTRODUCE AN ORDINANCE AT A REGULAR CITY COUNCIL MEETING IN AUGUST TO ESTABLISH A PULL-TAB OPERATION FOR THE CITY OF KOTZEBUE

WHEREAS, the City Council of the City of Kotzebue wishes to take the necessary steps to allow the City of Kotzebue to sell pull-tabs within the corporate limits of the City of Kotzebue;

WHEREAS, such a pull-tabs endeavor by the City of Kotzebue is a closely regulated activity by the State of Alaska as set out in Exhibit "A" attached hereto and incorporated by reference herein;

WHEREAS, among other requirements as a pull-tab permittee, the City of Kotzebue must designate a "Member In Charge" to oversee the operation and sign all reports for the Department of Revenue, keep all proceeds of the pull-tabs operation in a separate bank account which records are subject to inspection, use the net proceeds only for authorized purposes, file reports and keep detailed records as set out on Page 3 of Exhibit "A" attached hereto;

WHEREAS, a Code Ordinance should be enacted as set forth in Exhibit "B" attached hereto and incorporated by reference herein; and,

WHEREAS, the Code Ordinance as set forth above shall be introduced at one of the RCCMs in August 2024.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue directs the City Administration as set out herein to take the necessary steps for the City of Kotzebue to become a licensed permittee for the selling of pull-tabs within the City limits of Kotzebue.

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Resolution 24-38 re: Pull-Tabs
June 20, 2024 RCCM
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PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 20th day of June, 2024.

CITY OF KOTZEBUE

Saima Chase, Mayor

[SEAL]

ATTEST:

Rosie Hensley, City Clerk

Attachment: Exhibit "A" – SOA DCRA re: Gaming [10 pages]
Exhibit "B" – SOA Pull-tab Ordinance template [2 pages]

Department of Commerce, Community, and Economic
Development **DIVISION OF COMMUNITY
AND REGIONAL AFFAIRS**

TAKEN FROM:

[HTTPS://WWW.COMMERCE.ALASKA.GOV/WEB/DCRA/LOCALGOVERNMENTRESOURCEESK/FINANCIALMANAGEMENT/GAMING.ASPX](https://www.commerce.alaska.gov/web/dcra/localgovernmentresourceesk/financialmanagement/gaming.aspx)

@ 2:30PM AKDT ON MONDAY, JUNE 17, 2024

LOCAL GOVERNMENT RESOURCE DESK

Budgeting & Financial Management

Gaming

[Introduction](#)

The Department of Revenue's Tax Division has oversight of gaming in the State of Alaska and maintains a website with applicable forms and other information, as well as a comprehensive list of frequently asked questions that complement the questions addressed in this chapter.

CONTACT

Alaska Department of Revenue
Tax Division, Gaming Group
550 W 7th Ave Suite 500
Anchorage, AK 99501-3555
Email: dor.tax.gaming@alaska.gov
Phone: 907-465-2581

The State of Alaska provides that municipalities and other qualified organizations may obtain a permit and conduct games of chance to raise money to support certain activities (educational, political, civic, public, charitable, patriotic, or religious purposes). The ability of a qualified organization to conduct games of chance and use the net proceeds is considered a privilege and requires that the organization receive a permit issued by Department of Revenue and conduct the "gaming" activities according to Alaska Statutes and Regulations. Gaming is closely regulated and has many restrictions on it.

In the State of Alaska gaming is regulated under Alaska Statutes Title 5 (AS 05.15.010-.690) and the Alaska Administrative Code 15 AAC .160. These laws

establish the process required to receive a permit to conduct gaming and identify the procedures for and restrictions on how the games are conducted.

Narrative

Many municipalities, tribal governments, and non-profit community "improvement corporations" are active in the gaming business and have chosen gaming as a way to finance activities beneficial to the local residents without imposing additional taxes or increasing the charges for services. There are also communities that choose to avoid gaming because of the social costs of gambling. Regardless of what the community decides on this issue, it remains a local choice. If the residents of a municipality or established village hold an election and the vote favors a prohibition on gaming, no gaming operations may be conducted within five miles of the boundaries of the municipality or in unincorporated areas within five miles of the boundaries of a municipality or within the perimeter of the established village (AS 05.15.620).

There are limits on the charitable gaming activities authorized by the State of Alaska. Some of the available options are bingo, pull-tabs, raffles, and various race and fish classics and contests (AS 05.15.180).

It is allowable to use money received from gaming activities for local government operations to further the activities of local government, with certain restrictions which are spelled out in statute, AS 05.15.150. Proceeds from gaming activities used to further services provided by the local government must be tracked and reported in the annual report.

The following are some of the major requirements for a qualified organization to conduct gaming activities for the benefit of the community. A complete review of the statute and regulations is recommended for any organization or municipality interested in gaming activities.

Gaming permittees must designate a "Member In Charge" to oversee the operation and sign official reports to the Department of Revenue (AS 05.15.112). The must also:

- keep all proceeds of the operation in a separate bank account whose records are subject to reporting and inspection (15 AAC 160.820);
- donate proceeds for authorized charitable purposes as described in law (AS 05.15.150). In addition to paying prize awards, authorized uses described in AS 05.15.150 are: political, educational, civic, public, charitable, patriotic, or religious uses as defined in AS 05.15.150. If there is a question about whether your situation is an authorized use, contact Department of Revenue, Tax Division, Gaming Section; and
- file reports and keep detailed records (AS 05.15.080).

Applications for a permit must be sent to Department of Revenue and the office of the nearest municipal government to the game's location. The municipal government is then

given the opportunity to comment on the application to the Department of Revenue. In practical terms these comment(s) would not block issuance of the permits unless they identify serious legal problems (AS 05.15.030).

Organizations qualified to receive a permit include: municipalities and qualified political, charitable, educational, civic, or service organizations, police or fire departments, and a number of other non-profit organizations, such as a dog musher's association (AS 05.15.690(36)). To qualify for a permit, an organization must be operated "not for profit," must have been in existence for at least three years, and must have at least 25 members (AS 05.15.690(36) and 15 AAC 160.020).

Use of proceeds is subject to the limitations spelled out in AS 05.15.150 and includes only ordinary, necessary and reasonable expenses and donations (AS 05.15.150-.160)

- All expenses must be paid by check. All prizes may be paid in cash, but each winner must sign a receipt in order to receive the award. These receipts are available from Department of Revenue. All checks written from the gaming account require two signatures. Winners of pull-tabs that exceed \$50 per ticket must be recorded using the receipts. All bingo winners are recorded on a Bingo Winners List (forms are available from Department of Revenue). See 15 AAC 160. 820-.830 in the Alaska Administrative Code for more information.
- Reports to Department of Revenue include quarterly reports if proceeds exceed \$50,000 for that quarter. Otherwise, every permittee must file an annual report (AS 05.15.080).
- All workers are employees and are paid by check with deduction of taxes for hours worked. Employees cannot be paid in bingo cards or Pull-tabs. Permittees that employ workers to conduct gaming activities must have an employee identification number (EIN) and prepare W-2s. Permittees are required to keep all gaming related records and supporting documents for three years from the due date or date of filing, whichever is later (AS 05.15.060 and 15 AAC 160.870).
- The "Member In Charge" (MIC) and any alternates must pass a test provided by Department of Revenue (AS 05.15.112). This test is an open book test primarily of the rules and legal requirements. The MIC is in charge of preparation, maintenance, and transmittal of all records and reports.
- It is not necessary to prepare W-2s since the State limits on bingo and pull-tab prizes is less than the \$600 for pull-tab and \$1,200 for bingo single prize threshold for reporting winnings to the IRS (15 AAC 160.620).
- Concession proceeds (pop sales, bingo markers, etc.) should not be deposited in the Gaming account since Department of Revenue wants only Gaming proceeds reflected in the bank balances. Record keeping for concessions should be separate.
- Eligible expense categories are specifically listed in the laws governing gaming (AS 05.15.150-.160 and 15 AAC 160.780-.810). These should be incorporated into the Chart of Accounts for the Gaming account. Permits are renewed each calendar year. If a timely renewal application is filed, the Department of Revenue will issue a temporary permit effective through February 15 (15 AAC 160.110(f)).

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Frequently Asked Questions

Who is allowed to offer gaming activities, such as bingo and pull-tabs?

Gaming activities may be conducted by a "qualified organization" as defined in AS 05.15.690 if the organization has a current permit issued by Department of Revenue and has a "member in charge" and alternate who have passed Department of Revenue's examination (AS 05.15.020). Frequently, municipalities, tribal governments, and non-profit community "improvement corporations" are the qualified organizations that conduct gaming in a community; however, there are other entities that can also qualify.

In order to continue to qualify for a permit, the municipality or qualified organization must maintain certain activity records, file reports, and keep the financial records of gaming activities separate. Local Government Specialists with DCRA can provide assistance to municipal governments on setting up gaming records. The permittee must also use the proceeds from gaming activities for only those eligible uses identified in statutes and regulations and authorized by Department of Revenue. There must be a separate bank account set up for gaming activities.

Can someone other than the qualified organization that is issued the permit conduct the games?

Gaming permits are not transferable to another entity. The organization or municipality that received a permit can, however, allow a "vendor" or "operator" to conduct the gaming activity on their behalf for a set fee (AS 05.15.165; AS 05.15.188). The vendor or operator must be registered with or licensed by the State of Alaska.

Once a municipality obtains a permit what geographic area is it good for?

AS 05.15.040 limits municipal gaming operations to within the boundaries of the municipal government that holds the permit. The municipality should have a map showing its municipal boundaries. Local Boundary Commission staff within DCRA also maintains an inventory of municipal boundary maps and descriptions.

Is there a limit to the number of bingo games that may be held within a specific time frame?

Yes. AS 05.15.060 (a)(7) limits any permittee to 14 Bingo sessions a month and 35 Bingo games a session. State regulations further limit the number of sessions that an operator may hold to 11 and no more than 4 sessions within a 24 hour period with a one hour break between sessions (15 AAC 160.580).

Local ordinances may also place certain restrictions on when and how often gaming activities may occur (AS 05.15.124).

Can a community prohibit gaming within its boundaries?

Yes. AS 05.15.620 authorizes a community to hold an election to vote on whether to prohibit gaming. If the residents of a municipality or established village hold an election and the vote favors a prohibition on gaming, no gaming operations may be conducted

within five miles of the boundaries of the municipality or within the perimeter of the established village (AS 05.15.620). Municipalities use the election procedure in the municipality's local election ordinance to conduct this type of election. For unincorporated communities the Division of Elections conducts the election.

May a municipality limit who gets permits to conduct gaming within its municipal boundaries?

AS 05.15.030 requires that a municipality be notified by an applicant for a gaming permit if the activity will take place within its boundaries. A municipality may submit a resolution protesting the issuance of a permit and stating the reasons for the protest. This protest does not guarantee that a permit will not be issued; however, the Department of Revenue gives careful consideration to such a protest when deciding to issue a permit.

A municipality may regulate operators or vendors who conduct games for permittees. AS 05.15.124 authorizes a municipality to prohibit by ordinance an operator or a vendor from conducting gaming activities within the municipality.

Are there reports that a permittee must file?

Yes. AS 05.15.080 describes quarterly and annual reports and fees required of municipalities and qualified organizations to maintain their permits to conduct gaming. AS 05.15.020 may require payment of certain fees based on the information contained in these reports. Even if an organization with a gaming permit does not conduct any gaming activity during the year, the organization must still file the annual report showing "zero" financial activity.

Under this statute, **quarterly reports** must be filed by the 45th day following each calendar quarter in which the permittee had gross receipts of \$50,000 or more from gaming activities. The quarterly report must include the type of activity conducted, the date and location of the activity, the amount of gross receipts, the amount of authorized expenses, the value of prizes awarded, the amount of net proceeds, and other information the department may require. If, however, the only activity conducted during a calendar quarter is a raffle or lottery, then the report can be filed after the raffle or lottery is completed.

An **annual report** must be filed with Department of Revenue by March 15 following the year in which activities were conducted, accompanied by the payment of any fee required under AS 05.15.020(b). The report must list the types of activities conducted, and, for each activity, the total amount of gross receipts, the total amount of authorized expenses, the total value of prizes awarded, and the total amount of net proceeds.

Forms and instructions are available on the Department of Revenue's Tax Division, Gaming Section website.

Are there restrictions on who may be the "member in charge"?

Yes. AS 05.15.112 requires, among other things, that each permittee has a "member in charge." This person is responsible for ensuring that the games are conducted according to the state's regulations and statutes. The member in charge must be a member of the qualified organization, or the board of directors, or an employee of the municipality if the

permittee is a municipality. The member in charge must be familiar with the gaming regulations and laws and successfully pass a test established by the Gaming Unit of the Department of Revenue.

Individuals with certain types of criminal convictions may be prohibited from gaming involvement and serving as a member in charge. Under certain circumstances this prohibition may be removed. (AS 05.15.105)

Are there restrictions on the use of the proceeds?

Yes. AS 05.15.150 limits the use of net proceeds to political, educational, civic, public, charitable, patriotic, or religious uses. There are specific activities that cannot be supported through charitable gaming revenues including: the direct or indirect payment to a lobbyist; the erection, acquisition, improvement, maintenance, or repair of real, personal, or mixed property unless it is used exclusively for one or more of the permitted uses; or the direct or indirect payment of any portion of the net proceeds of a charitable gaming activity, except the proceeds of a raffle and lottery; to aid candidates for public office or groups that support or oppose candidates for public office, or to a political party or to an organization affiliated with a political party; or to a group, as that term is defined in AS 15.13.400, or a political group, as that term is defined in AS 15.60.010, that seeks to influence the outcome of an election.

The proceeds must also be spent within a year, with a few exceptions. The ability to carry money over past a year must be granted by the Department of Revenue.

Additional Resources

Publications:

- [Model Financial Record Keeping System, Chapter 11](#)

Sample documents:

- [Sample Bingo Ordinance](#)
- [Sample Gaming Ordinance](#)
- Bingo Winners List
- Bingo Cash Reconciliation Sheet
- Pull-tab Daily Cash Reconciliation Form
- Pull-tab Sales and Deposit Form
- Department of Revenue's [Gaming Section](#) website has a drop-down list of and links to gaming forms.

Recommended web site search topics:

- Alaska Department of Revenue, Tax Division, Gaming Section
- Alaska Statutes
- Alaska Regulations
- Alaska Department of Law

Applicable Laws and Regulations

Alaska Statutes

- AS 05.15.010-.030 DOR authority, annual permit and fees, required notice.
- AS 05.15.040-.050 Issuance, effect, and term of permit, permit suspension/revocation.
- AS 05.15.060 Requires drafting of regulations, limits number of games authorized.
- AS 05.15.070 Authority for DOR to examine records.
- AS 05.15.080-.095 Reports and fees required of: municipalities and qualified organizations, vendors and operators, agency reports.
- AS 05.15.097 Notice to ABC board.
- AS 05.15.100 Issuance of permits and licenses.
- AS 05.15.105 Persons prohibited from involvement, exceptions.
- AS 05.15.110 Authorized activities a privilege.
- AS 05.15.112 Member in charge.
- AS 05.15.115 Contracts between permittees and operators.
- AS 05.15.120 Eligibility for permit.
- AS 05.15.122 Operator's license.
- AS 05.15.124 Municipal regulation of operators or vendors.
- AS 05.15.128 Revocation of operators or vendors.
- AS 05.15.130 Department may impose additional requirements.
- AS 05.15.140 Proof necessary to qualify for permit.
- AS 05.15.145 Multiple-beneficiary permits.
- AS 05.15.150 Limitation on use of proceeds.
- AS 05.15.160 Authorized expenses.
- AS 05.15.165 Operators.
- AS 05.15.167 Operator's bond.
- AS 05.15.170 Suspension or revocation of permit, license, or vendor registration.
- AS 05.15.180 Limitations on authorized activity.
- AS 05.15.181 Pull-tab manufacturer's license.
- AS 05.15.183 Pull-tab distributor's license.
- AS 05.15.184 Pull-tab tax.
- AS 05.15.185 Distribution of pull-tab games.
- AS 05.15.187 Operation of pull-tab games.
- AS 05.15.188 Pull-tab sales by vendors on behalf of permittees; vendor registration.
- AS 05.15.600 Cancellation of permits AS 05.15.610 order prohibiting violation.
- AS 05.15.620 Through .625 local prohibition on gaming, local option election.

- AS 05.15.640 Restriction on broadcasting.
- AS 05.15.680 Penalties.
- AS 05.15.690 Definitions.
- AS 15.13.400(b)(5) Definition of group.
- AS 15.60.010(20) Definition of political group.

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Alaska Administrative Code

- 15 AAC 160.010-.030 Permit required, sub-organization permit requirement, permit application form, application fee, required documentation and certifications, notice, operator's license, operator's bond/security.
- 15 AAC 160.040-.050 Pull-tab manufacturer's license application, distributor's license application.
- 15 AAC 160.070-.080 Application amendments, supplemental information.
- 15 AAC 160.090 Departmental consideration of local government unit protest.
- 15 AAC 160.100 Fingerprints.
- 15 AAC 160.110-.140 Issuance, re-issuance or denial of permit or license, permit posting, permit year, temporary authorization, transfer of license prohibited, surrender of license upon suspension or revocation.
- 15 AAC 160.150 Notification of change in name or legal status.
- 15 AAC 160.160-.170 No prorating of fees, refund of fees.
- 15 AAC 160.190 Operator's license required, operator definition, employee definition.
- 15 AAC 160.200-.210 Change of operator bond or security, minimum insurance coverage for operators.
- 15 AAC 160.220-.260 Contracts with permittees, contract requirements, departmental review, deficiencies, operator rental and wage costs, accounting, daily summary of activity, monthly report to permittee, operator expenses.
- 15 AAC 160.270 Operator payment to permittee, payment determination, operator loss.
- 15 AAC 160.290 Operator reports to the department, quarterly report form, reportable items.
- 15 AAC 160.300 Ownership of gaming items.
- 15 AAC 160.310 Review of operator's financial records, CPA licensure, financial statements, demand upon bond or security, release of bond or security.
- 15 AAC 160.340-.360 Vendor contracts, department review, contract requirements, permit posting, vendor compensation, vendor sales areas.
- 15 AAC 160.370-.380 Pull-tab manufacture, design requirements, game protection, pull-tab series assembly, packaging, and flare cards.
- 15 AAC 160.390-.410 Failure to comply, state identification stamps, stamp display, packing slip, manufacturer distribution.

- 15 AAC 160.420 Distributor distribution, invoice, required information.
- 15 AAC 160.430 Manufacturer's monthly report, form, required information.
- 15 AAC 160.440 Distributor's monthly report, form, required information.
- 15 AAC 160.450 Payment for pull-tabs, time limit, payment method.
- 15 AAC 160.460 Pull-tab tax.
- 15 AAC 160.470 Pull-tab games, price, prize payment, accounting.
- 15 AAC 160.480 Limitation on pull-tab sales.
- 15 AAC 160.490 Withdrawal and destruction of pull-tab series, conditions warranting withdrawal and/or destruction, resumption of play.
- 15 AAC 160.500 Alcohol access and permittee employee play prohibited.
- 15 AAC 160.510 - .530 Bingo card sales, pricing, time and location of sale, limitation card type, bingo receipting requirements, cash register receipts.
- 15 AAC 160.560 Disclosure of prizes and procedures, game schedule, rule posting.
- 15 AAC 160.570 Bingo equipment, player inspection, card numbering, equipment prohibitions.
- 15 AAC 160.580 Allowable number of bingo sessions and games.
- 15 AAC 160.590 Conduct of bingo games, braille cards, prize and pattern notification, duplicate cards, calling, ball display, winner, winner verification, prize award.
- 15 AAC 160.600 Bingo prize limitations.
- 15 AAC 160.610 Bingo prize receipting requirements.
- 15 AAC 160.620 Bingo prize limits per game.
- 15 AAC 160.625 Bingo session records, documentation.
- 15 AAC 160.630 Bingo employee identification tags.
- 15 AAC 160.640-.670 Raffle tickets, numbering, required information, raffle drawings, permit posting, drawing schedule/location, receipt, ownership of raffle prizes, raffle record.
- 15 AAC 160.700 Dog musher's contests, fish derbies, ice classics, salmon classics and king salmon classics, prize award, participant prohibition.
- 15 AAC 160.800 Advertising expenses, depreciation of premises, promotional items.
- 15 AAC 160.810 Net proceeds, payout prohibition, record retention, scholarships.
- 15 AAC 160.820-.830 Bank account, deposit time limit, separate account, method of accounting, payment method, operator payment of net proceeds.
- 15 AAC 160.840-.860 Permittee quarterly report, annual report, form, multi-beneficiary reporting.
- 15 AAC 160.860-.870 Grace periods for reports, request, department discretion, retention of records.

- 15 AAC 160.880-.890 Suspension or revocation of a permit, license or registration, notice, disposition of money upon suspension or revocation.
- 15 AAC 160.900 Notice of criminal conviction.
- 15 AAC 160.910-.920 Request for hearing, time to request, hearing.
- 15 AAC 160.930-.938 Permit, license, registration required, primary gaming location, premises restrictions, permittee activity restriction.
- 15 AAC 160.940 Procedures, statutes, regulations on premises.
- 15 AAC 160.950 Gaming on the airwaves.
- 15 AAC 160.950 Advertisements.
- 15 AAC 160.954-.959 Prohibited financial interests.
- 15 AAC 160.960 Interest on delinquent fees.
- 15 AAC 160.965 Request for waiver of penalty.
- 15 AAC 160.970 Member in charge restriction.
- 15 AAC 160.975 Permittee and operator tests.
- 15 AAC 160.980 Inspection of premises, books and records.
- 15 AAC 160.985 Advisory and violation notices.
- 15 AAC 160.990 Proof of activity.
- 15 AAC 160.992 Reinstatement of persons prohibited from involvement.
- 15 AAC 160.995 Definitions.

Chapter __

Pull-tab/Bingo Department

Sections:

1. Creation of the Pull-tab/Bingo Department.
2. Function of the Department.
3. Pull-tab/Bingo Manager.
4. Business Hours
5. Compliance with State Rules and Regulations.
6. Separate Account/Monthly Financial Statements.
7. Use of Funds/Donations.

Section 1. Creation of the Pull-tab/Bingo Department. There shall be a Pull-tab/Bingo Department for the City of _____.

Section 2. Function of the Department. The City of _____ Pull-tab/Bingo Department shall handle all of the City's permitted games of chance and skill, including, but not limited to, Pull-tab and Bingo games.

Section 3. Pull-tab/Bingo Manager, Member in Charge. The City Council shall hire an individual to coordinate activities of the Pull-tab/Bingo Department. The Council shall set his/her pay and the hours he/she will work per week.

The Pull-tab/Bingo Manager will coordinate Bingo games and ensure that enough Bingo/Pull-tab helpers are hired to run the games efficiently; order supplies and equipment as needed; thoroughly familiarize him/herself with: Games of Chance and Contests of Skill Statutes and Regulations and take whatever tests that may be required by the state to qualify for this position; and ensure that accurate complete records of gaming activity are kept and reports are filed timely with the appropriate state agency. This position will either serve as member in charge, or be under the supervision of the member in charge.

Section 4. Business Hours. The City Council shall set the hours the Pull-tabs are sold and when the Bingo games are held. The hours shall be posted conspicuously by the entryway of the Bingo hall. Pull-tabs and refreshments may be sold during Bingo games.

Section 5. Compliance with State Rules and Regulations. The City shall comply fully with the State of Alaska rules and regulations concerning Pull-tabs, Bingo and other games of chance and skill.

A business license must be obtained and posted in a conspicuous place in the Bingo hall or where ever games of chance and skill are to be held.

Door prizes, awards, and prizes shall be limited according to Title 5 of the Alaska Statutes and other related statutes and regulations.

Quarterly and annual reports shall be made to the Department of Revenue as required by state statute or regulation. The reports shall be on forms provided by the State of Alaska.

Section 6. Separate Account/Monthly Financial Statements. As required by state law, a separate checking account shall be kept. All earnings from Pull-tab sales, Bingo games, etc., shall be deposited into this account.

Pull-tab/Bingo monthly financial statements reflecting monthly Pull-tab and Bingo earnings and expenses shall be prepared and reported to the Council during the Council's regular monthly meetings.

Section 7. Use of Funds/Donations. Authorized expenses are found in the state statutes and regulations governing gaming. The Bingo/Pull-tab Department shall comply with these laws and regulations.

Donations shall be made to the individuals and organizations listed on the city's gaming permit and approved by the State of Alaska.