

GUIDELINES ALLOWABLE USE OF PROCEEDS FACILITY OPERATIONS

Where an organization operates a facility with "club-type" premises for the social and recreational activities of its membership, yet provides reasonable access for the general community to other parts of the facility (public use areas), up to 50% of gaming proceeds may be used for the operation of that facility. (The balance must be applied to other approved charitable or religious purposes.)

Gaming proceeds can be used for the costs of:

- Providing a public facility. Eligible uses include capital, rental and operating costs.
 Proceeds cannot be used for equipment and furniture for income-producing operations.
 The costs of club rooms used by members for social activities are not eligible.
- Capital or rental costs of providing a facility includes land, buildings, permanently affixed
 equipment and associated furnishings, but excludes equipment or furnishings intended for
 income-producing operations. However, expenses related to painting, decorating (interior
 and exterior), repairs to the building and replacements of a capital nature, where identified,
 may be approved.

Eligible expenditures for a building/rental property include:

- Mortgage, lease or rental payments
- Utilities
- Insurance fire and liability
- Property taxes
- Janitorial costs and supplies
- Repairs and maintenance
- Renovations and leasehold improvements

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