

Succeed.



Iowa Lottery 2016 Annual Report



Lead.

Fiscal year 2016 has gone into the books as the best year in the history of the Iowa Lottery. We're incredibly proud of the success we've achieved this year and what the Lottery has been able to provide to Iowans.

This was an incredibly rewarding year: We celebrated with our winners, awarding them with a bigger prize total than ever before; exceeded our proceeds goals for state causes; and helped the bottom line of local businesses across the state.

Here are some records set this year:

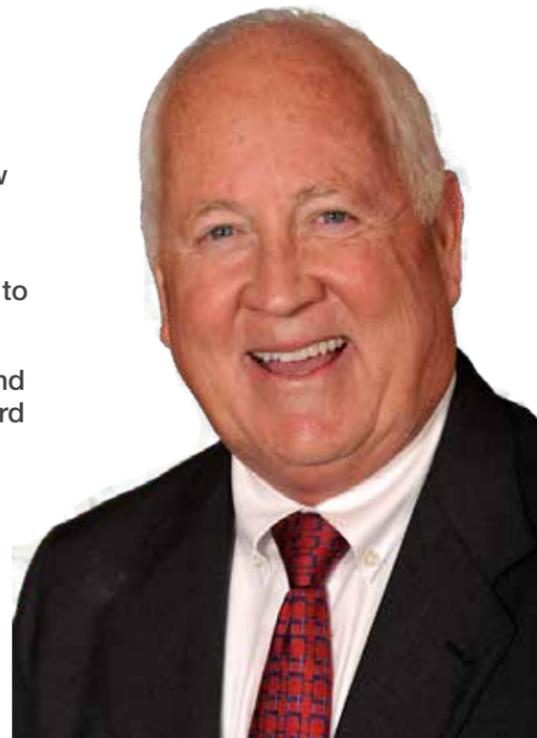
- \$88 million in proceeds to state causes
- \$366.9 million in annual sales, topping the \$300 million mark for the fifth year in a row
- \$221.8 million in prizes to players
- \$24.6 million in lottery sales commissions to retailers

Record sales of scratch games (\$233.7 million) and huge lotto sales spurred by January's world-record Powerball® jackpot (\$1.6 billion in the drawing on Jan. 13) led the way in the lottery's FY 2016 performance.

Amid all this success, we were also able to highlight integrity and responsible play, two integral components of our mission.

While we are thrilled with this past year's successes, we continue to stay focused on our mission of continuing to provide fun games for our players and support for our state into the future.

— CEO Terry Rich



Iowa Lottery Board

The Iowa Lottery Board is made up of five Iowa citizens appointed by the governor, and the State Treasurer serves as an ex-officio member of the board. The board oversees the lottery and its operations. Each department at the lottery reports to the board at meetings held throughout the year. According to Iowa Code, the Lottery Board must have a member with an accounting background, a member with experience in marketing, a member with law enforcement experience and another member who has or is currently practicing law. No more than three board members can be of the same political party.



Mike Klappholz joined the Lottery Board in 2006. He is retired from serving as chief of police in Cedar Rapids and lives in Marion.



Mary Junge served on the Lottery Board from 1999 to 2014 and was re-appointed in 2016. She is a certified public accountant and practicing tax- and estate-planning attorney who resides in Cedar Rapids.



Connor Flynn Jr. joined the Lottery Board in 2015. He is chairman of Lessing-Flynn Advertising in Des Moines, where he also resides.



Mary Rathje joined the Lottery Board in 2015. She is the office manager and controller at Rathje Construction Co. in Marion, where she also resides.



Michael L. Fitzgerald has been a part of the Lottery Board since 2003. He is Iowa's State Treasurer. He lives in Waukee.



Ying Sa joined the Lottery Board in 2014. She is the founder and principal certified public accountant at Community CPA & Associates Inc. in Des Moines, where she also resides.

Immediate past member:



Matthew McDermott; term ended in 2016

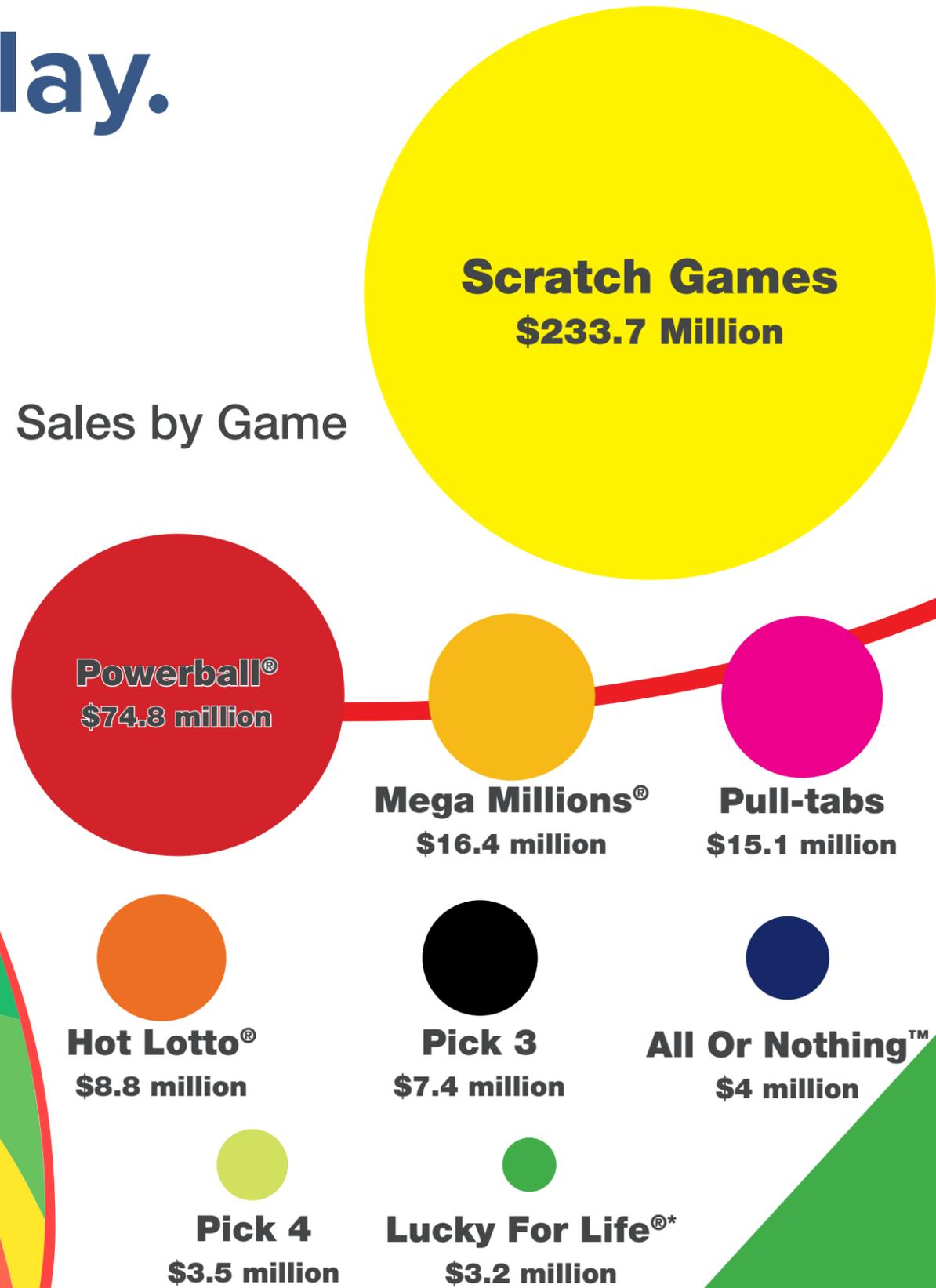
Play.



It was a bin buster!

Powerball had a huge year! The game's jackpot reached a world record of nearly \$1.6 billion in the drawing on Jan. 13, 2016. The jackpot grew for more than two months to reach that amount, and during that time frame alone (Nov. 5-Jan. 13) the lottery sold about \$34.2 million in Powerball tickets compared to a total of \$52.2 million in Powerball sales in all of fiscal year 2015. Whew!

Sales by Game

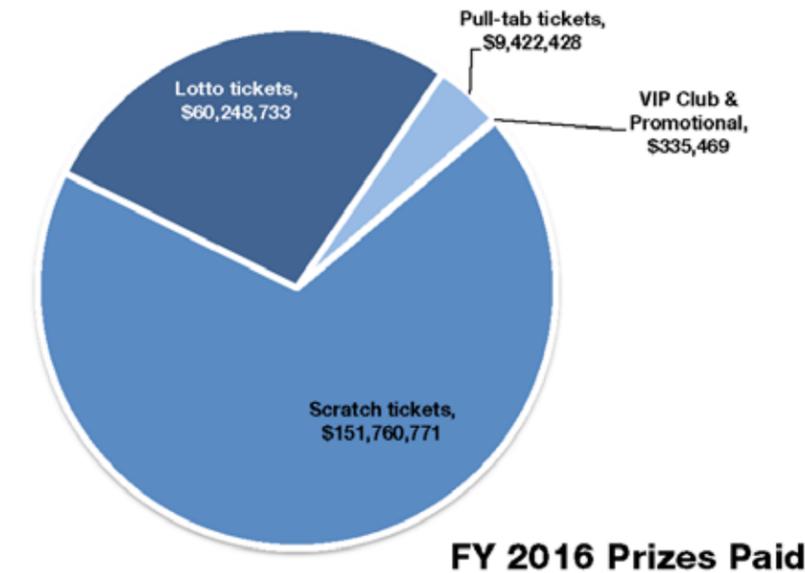


Scratch tickets, always one of our top-selling items, set a sales record again this year! The previous record for scratch sales was \$212 million set just last year in FY 2015.

* Lucky for Life was introduced in Iowa in January 2016.

Win.

Prizes to players totaled a record \$221.8 million in FY 16.

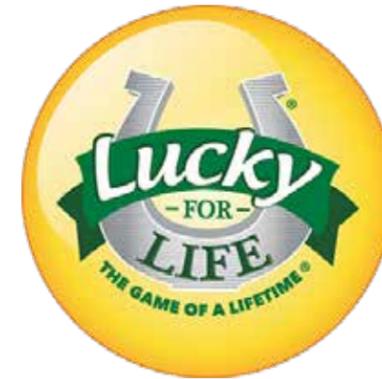


- Bryon Stewart of Onawa won \$2 million playing Powerball.



These players won \$1 million playing Powerball:

- Joel Dominguez of Sioux City
- Richard and Elizabeth Martin of Pleasant Hill
- Brian Delagardelle of Jesup



- On Jan. 24, 2016, Iowa became the 18th state to offer the Lucky for Life® game, which got its start in Connecticut in 2009 before becoming a New England-wide game three years later and adding even more lotteries in the past year.



Roy King of Sioux City was Iowa's first big winner in Lucky for Life. And he won his prize of \$25,000 a year for life with just the fourth ticket he bought in the new game.



- Betty Downs of Burlington and Mike Hartman of Winfield both won \$1 million prizes playing Mega Millions



- The Big Ticket was a big new product in FY 2016: big size, big prizes and big play action! It was the first time the Lottery had released an 8-inch square ticket, and it grabbed customers' attention right away in the store.
- Cari Maresch of Council Bluffs and Deanne Jakoubek of Floyd each won the \$100,000 top prize playing this game.



See winners past and present at ialottery.com

Play It Again.



30th Birthday Player Bonus!



In celebrating our 30th birthday in August 2015, the Iowa Lottery offered our players a gift! When a player purchased Mega Millions, Hot Lotto or All or Nothing tickets and their purchase was the 30th ticket of that type of game sold statewide, they heard a "Surprise, Player Bonus" sound from the terminal and then they received a free \$1 easy pick ticket for the next drawing of the same game they just purchased. Players in Iowa received 29,792 free plays during the 30-day promotion.

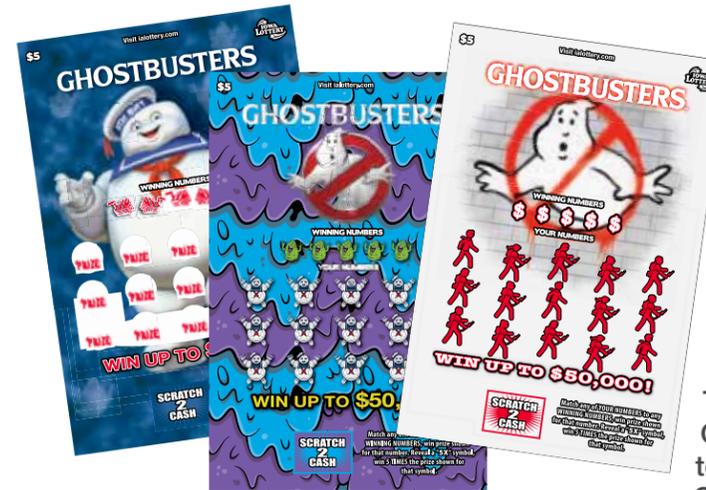
Sweet Cash or Suite Tickets...

What a great win for our players! They could Play It Again® by entering eligible holiday scratch tickets in the Holiday Hoopla™ promotion for a chance to win \$500 cash or a suite package to a men's college basketball session at the Iowa Events Center. In total, 78 players won \$500 prizes and 48 players each won a pair of men's college basketball suite tickets. Players made more than 675,000 entries in the 12-week promotion.

Jeff Love of Pleasant Hill, center, is congratulated by Vice President of External Relations Mary Neubauer, right, as he enjoys a basketball game in a suite at the Iowa Events Center in March 2016. Love won a pair of tickets to the game in the Holiday Hoopla promotion.



There's Something Strange In The Neighborhood...



Three different Ghostbusters® scratch tickets went on sale in early May.

The Iowa Lottery partnered with Sony® and Wizard World® Comic Con to bring Iowa Lottery players a summer to remember with a Play It Again® promotion called Ghostbusters.



All the fun began at Des Moines' very own Wizard World® Comic Con on Friday, May 13 - spooky! We awarded VIP packages to attend the Des Moines event to 25 lucky VIP Club members who entered a special contest.

Then the Play It Again® portion of the promotion began - players just needed an eligible Ghostbusters scratch ticket to enter. In the promotion, 10 players won a VIP Experience Package to attend Wizard World Comic Con Chicago, 10 more won an Ultimate Movie Package with Sony® products for their living room and still 10 more won \$1,000 cash prizes. Then we held a Grand Prize Drawing for a \$5,000 prize to top everything off! Players made more than 58,800 entries in the promotion. It was a fun summer for Lottery players!



Kicking off the Ghostbusters promotion in costume at Comic Con Des Moines on May 13, 2016, were Vice President of External Relations Mary Neubauer, left, and CEO Terry Rich. Slimer looks on with his perpetual grin!



Raul Moreno of Des Moines won the \$5,000 grand prize. He was proud to wear his new Ghostbusters T-shirt as he claimed his prize.

Entrants in the Ghostbusters promotion had the chance to win Sony® electronics prizes (pictured here), cash or a VIP experience package to attend Comic Con Chicago.



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Sell.

As the Lottery celebrates a record sales year, it's important to thank our retailers who work hard all year long assisting customers and selling our products. Retailers' continued efforts are noticed and appreciated.

As sales increase, so do retailer commissions. Commissions paid to retailers statewide for selling Iowa Lottery products totaled a record \$24.6 million in FY 2016.

One of the best ways retailers can promote sales is to increase scratch ticket facings in their stores as an increasing number of our approximately 2,400 retailers have done.

Reinforcing the importance of players signing their tickets before having them checked or cashed, the "Sign It, Make It Yours!" initiative debuted in late summer 2015.



Gasby's in Iowa City is among many retailers who showed their commitment to the "Sign It...Make It Yours" initiative.

Retailers Celebrate With Us!



Top: Manager Angie Brinks shows off her store's lottery sign at Pronto in Washburn. Brian Delagardelle of Jesup purchased a \$1 million-winning Powerball ticket at this store in August 2015.



Right: At Express Mart in Muscatine, Manager Lisa (left) and her crew Bryon and Gwen show off their Iowa Lottery 30th birthday T-shirts for increasing the number of scratch games they sell.

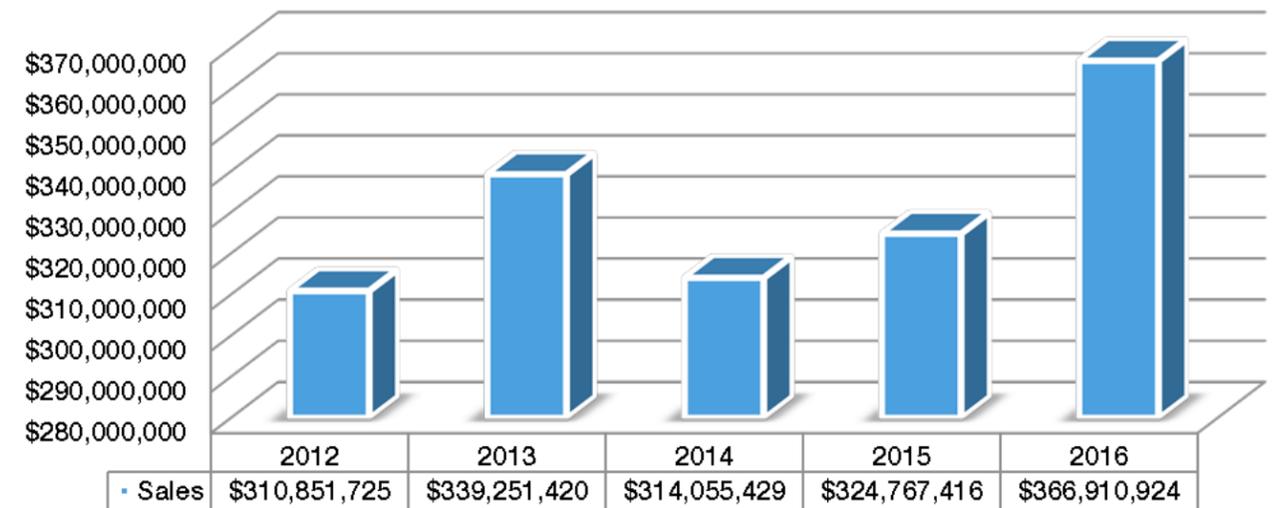
Top 10 Retailers in FY 2016

Retailer Name	Address	City	Net Sales
Hy-Vee	20 Wilson Ave. S.W.	Cedar Rapids	\$1,026,343
Kum & Go	115 N. 22nd St.	Fort Dodge	876,803
Hy-Vee	2540 E. Euclid Ave.	Des Moines	773,828
Hy-Vee	1843 Johnson Ave. N.W.	Cedar Rapids	745,888
Hy-Vee	3235 Oakland Rd. N.E.	Cedar Rapids	698,647
Guppy's On The Go	235 Edgewood Rd. N.W.	Cedar Rapids	687,116
Hy-Vee	2323 W. Broadway	Council Bluffs	662,691
Pronto	810 4th Ave. S.	Denison	637,806
Hy-Vee	4000 University Ave.	Waterloo	631,345
Hy-Vee Drugstore	1520 6th St. S.W.	Cedar Rapids	619,463

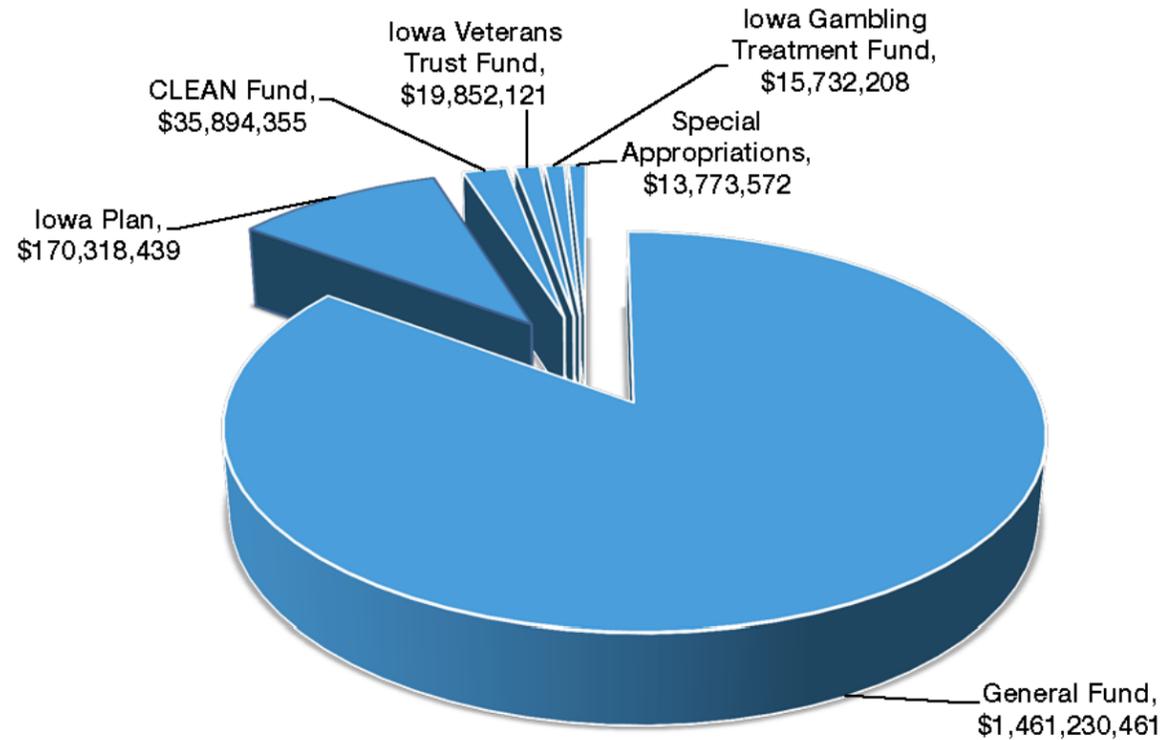
Net Sales By County - FY 2016

County	Total Sales	County	Total Sales	County	Total Sales
Adair	1,386,693	Iowa	1,425,389	Palo Alto	1,098,364
Adams	396,535	Jackson	2,754,393	Plymouth	1,888,471
Allamakee	1,743,107	Jasper	3,743,896	Pocahontas	809,149
Appanoose	1,882,954	Jefferson	1,643,460	Polk	56,816,403
Audubon	428,087	Johnson	10,950,542	Pottawattamie	12,438,747
Benton	2,536,053	Jones	2,705,357	Poweshiek	2,222,547
Black Hawk	18,760,429	Keokuk	1,090,250	Ringgold	232,358
Boone	3,011,011	Kossuth	2,049,825	Sac	1,185,221
Bremer	2,065,050	Lee	4,247,595	Scott	21,604,353
Buchanan	2,290,603	Linn	29,349,123	Shelby	985,010
Buena Vista	3,446,594	Louisa	1,120,160	Sioux	1,403,480
Butler	1,660,752	Lucas	971,215	Story	6,662,797
Calhoun	929,087	Lyon	527,165	Tama	1,579,242
Carroll	2,906,561	Madison	1,487,870	Taylor	712,638
Cass	1,482,139	Mahaska	2,525,224	Union	1,726,575
Cedar	1,966,351	Marion	3,338,954	Van Buren	793,227
Cerro Gordo	8,756,090	Marshall	5,504,032	Wapello	6,942,226
Cherokee	1,610,285	Mills	1,299,912	Warren	4,134,192
Chickasaw	1,448,521	Mitchell	1,334,315	Washington	2,375,548
Clarke	1,032,570	Monona	777,696	Wayne	690,116
Clay	2,185,804	Monroe	1,242,391	Webster	7,571,925
Clayton	2,157,877	Montgomery	1,374,222	Winnebago	1,559,837
Clinton	6,804,864	Muscatine	6,239,200	Winneshiek	2,214,883
Crawford	2,604,264	O'Brien	1,477,450	Woodbury	11,295,344
Dallas	5,170,475	Osceola	482,165	Worth	920,756
Davis	554,001	Page	1,503,103	Wright	2,537,958
Decatur	440,588				
Delaware	1,848,430				
Des Moines	5,110,993				
Dickinson	3,065,097				
Dubuque	9,866,046				
Emmet	1,362,975				
Fayette	2,419,634				
Floyd	2,466,213				
Franklin	1,448,535				
Fremont	854,695				
Greene	1,163,526				
Grundy	957,015				
Guthrie	441,613				
Hamilton	2,923,101				
Hancock	1,075,617				
Hardin	2,004,350				
Harrison	1,488,227				
Henry	2,412,265				
Howard	981,129				
Humboldt	1,381,321				
Ida	876,782				

Fiscal Year Sales



Where The Money Goes



Note: All of the amounts listed here are from FY 1986 through the end of FY 2016 (FY 2016: July 1, 2015 - June 30, 2016).

General Fund: \$1,461,230,461 — Since 1992, a majority of lottery profits have been directed into the state general fund, where they are used to pay for programs that benefit all Iowans. In the Iowa Lottery's latest fiscal year, the lottery raised more than \$85 million in proceeds that were deposited in the state General Fund. Some of the programs that receive money from the General Fund include education, natural resources, health and family services and public safety. The Governor and Iowa Legislature allocate money from the General Fund based on where they believe those funds are needed most.

Iowa Plan: \$170,318,439 — The Iowa Plan was a long-term economic development program. It was divided into four basic areas: a Jobs Now program designed to put people to work; government construction programs; community and economic betterment; and educational and agricultural research. Lottery profits were dedicated to the Iowa Plan from fiscal year 1986 through fiscal year 1990.

CLEAN Fund: \$35,894,355 — The CLEAN Fund stood for Committing the Lottery to Environment, Agriculture and Natural Resources. The program dedicated money to environmental and cultural causes. Lottery profits were dedicated to the CLEAN Fund during fiscal year 1991.

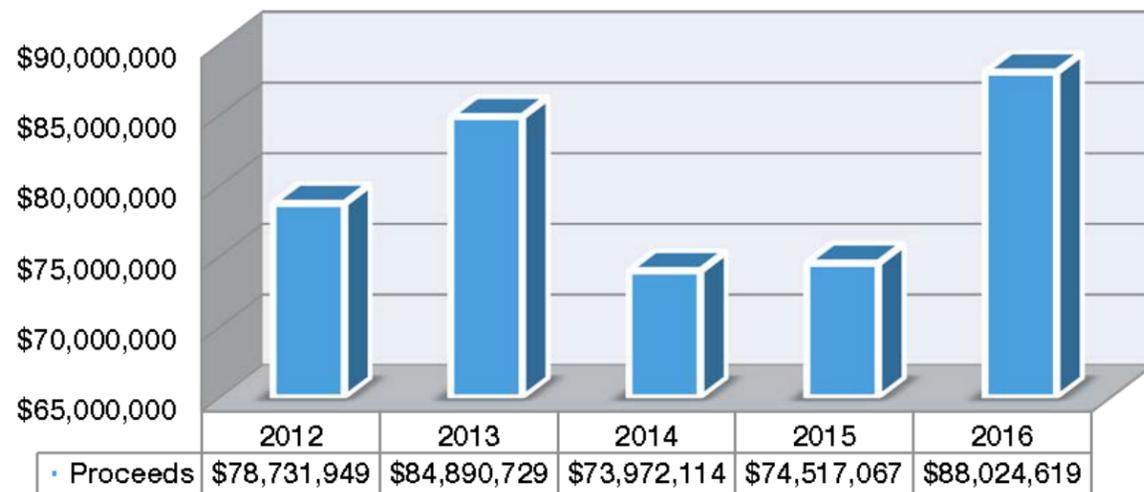
Iowa Veterans Trust Fund \$19,852,121 — The Iowa Lottery has proudly supported Iowa's veterans since 2008 through its partnership with the Iowa Veterans Trust Fund (IVTF). In order to stabilize the amount of proceeds to the Iowa Veterans Trust Fund, the Iowa Lottery introduced new legislation in 2015 to allocate \$2.5 million in lottery proceeds to the IVTF annually, rather than relying on proceeds from sales of specific games as it had done previously. The Iowa Veterans Trust Fund was created to provide assistance to qualified veterans to help pay for expenses such as job training or college tuition assistance; some dental, vision and hearing assistance and individual or family counseling programs.

Iowa Gambling Treatment Fund: \$15,732,208 — The Iowa Gambling Treatment Program provides treatment, counseling and outreach programs for those concerned about gambling as well as the 1-800-BETSOFF helpline. The Iowa Lottery is committed to responsible play and helps address the issue of problem gambling. Each year, the lottery provides the public with information about 1-800-BETSOFF by including messages about the helpline on millions of lottery tickets, brochures and point-of-sale materials as well as other publications. In 2009, the Gambling Treatment Fund was eliminated, with the Gambling Treatment Program now receiving its funding from the state General Fund.

Special Appropriations: \$13,773,572 — A portion of lottery profits have been earmarked for specific purposes within the state budget.

Backing For Vision Iowa: In addition to those direct uses of Lottery proceeds, lottery profits are also linked to the Vision Iowa program. Vision Iowa was implemented in 2000 to create tourism destinations in the state, assist with community attractions, and build and repair schools. Direct funding for Vision Iowa comes from gaming revenues. However, as the program was being initiated, investors indicated there was a need to strengthen the Vision Iowa bonds by dedicating \$20 million annually in lottery revenues as a backup. Legislation was approved that dedicates \$15 million in lottery revenues to programs for community attractions in Iowa and another \$5 million to Vision Iowa programs to build and repair schools if gaming revenues don't reach that amount. Lottery funding will continue to be linked to Vision Iowa over the 20-year payback period of the program's bonds.

Fiscal Year Proceeds to State



Work.

The Iowa Lottery was established in 1985 and began ticket sales on Aug. 22 of that year. Since the lottery's inception, its players have won more than \$3.7 billion in prizes while the lottery has raised more than \$1.7 billion for the state programs that benefit all Iowans.

The guiding principles of the Iowa Lottery are:

- Develop and distribute products that are fun and exciting to Iowans;
- Maintain integrity and security in production and delivery of those products while utilizing advanced technology;
- Educate and motivate the public to play Lottery games responsibly;
- Maintain the dignity of the Lottery through truthful, tasteful and informative advertising;
- Develop an effective employee workforce that is professional, knowledgeable, skilled, and offers maximum service and reliability to retailers and players; and
- Maximize net revenues to the state.

Today, lottery proceeds in Iowa have three main purposes: They provide support for veterans and their families through the Veterans Trust Fund; help for a variety of significant projects through the state General Fund; and backing for the Vision Iowa program, which was implemented to create tourism destinations and community attractions in the state and build and repair schools.

The Lottery has approximately 115 employees in the following departments: external relations, finance, marketing, systems, sales and security. That number does not include the five board members.

The Lottery has approximately 66 employees at its headquarters in Clive. The Lottery also maintains a warehouse facility in Ankeny and four regional offices in Cedar Rapids, Council Bluffs, Mason City and Storm Lake. The lottery has three product categories: scratch tickets, pull-tab tickets and lotto games. Lottery products are sold through approximately 2,400 licensed retailers across Iowa.

Agency Mission:
 "The Iowa Lottery strives to administer lottery games in a secure manner to maximize revenue while maintaining the dignity of the state and the welfare of its people."

In 2003 the Legislature recognized that as an entrepreneurial entity, the Iowa Lottery could operate more efficiently and established the Iowa Lottery Authority, a public instrumentality of the state. As a result of that change, combined sales for the Lottery's traditional products have continued to climb in the fiscal years since then.

The Iowa Lottery develops an annual budget, which requires approval by the Board of Directors. The budget is monitored through a series of performance measures.

The goals and results discussed in this report cover the following core functions of the Iowa Lottery's operations: sales and distribution; resource management; enforcement and investigation; and reconciliation clearing account.

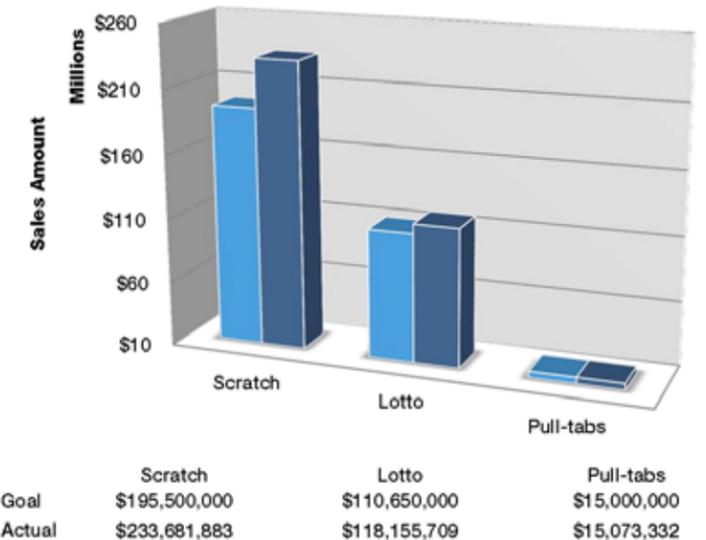


Lucky clovers that now dot the grounds of Iowa Lottery headquarters in Clive were installed in November 2015 as part of the Art in State Buildings Program. The 15 metal sculptures were designed by Des Moines artists TJ Moberg and Dennis Reynolds and provide a light-hearted representation of lottery luck while also creating eye-catching artwork. This art program was enacted by state lawmakers in 1979 to ensure that fine arts are a part of eligible state building construction projects.

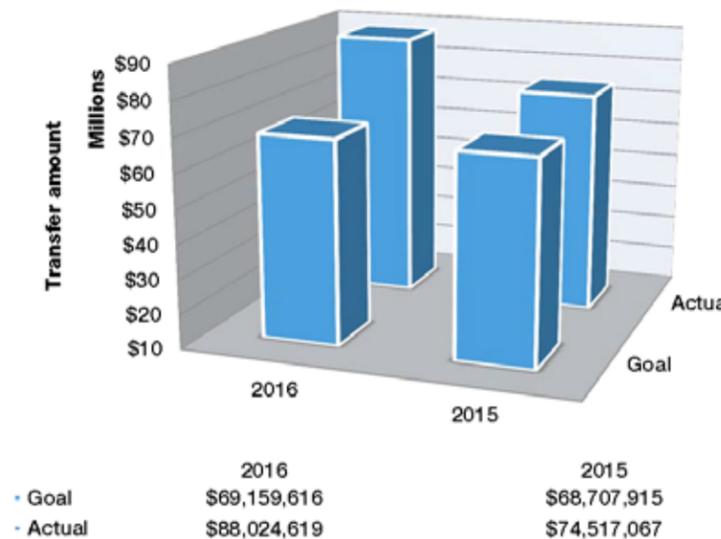
Key Results

Sales and Distribution

	Goal	Actual
Instant-Scratch Tickets	\$195.5M	\$233.7M
Lotto Tickets	\$110.7M	\$118.1M
Pull-tab Tickets	\$15M	\$15.1M



The Legislature, the governor and the public use sales data to generally determine how the lottery is performing. Sales of different products are analyzed by the Lottery on a yearly basis in order to assess progress.



Resource Management

	Goal	Actual
Proceeds to the state (General Fund and Veterans Trust Fund)	\$69.2M	\$88.0M

Total proceeds is the ultimate measure of how well the lottery is operating because it accounts not only for sales, but also for how well resources are being used. The Lottery must ensure its resources are managed wisely in order to achieve maximum benefits for the state.

Iowa Lottery Authority Performance Plan Results - FY 2016

Core Function: Sales & Distribution			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Total Sales	\$321,150,000	\$366,910,923.49	What Occurred: Total sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Service, Product or Activity:			
Performance Measure	Data Source: Iowa Lottery Financial Reports	Performance Actual	Performance Comments & Analysis
Total Instant Ticket Sales	\$195,500,000	\$233,681,883.53	What Occurred: Instant (scratch) ticket sales continued to grow. Data Source: Iowa Lottery Financial Reports
Total Online Game Sales	\$110,650,000	\$118,155,707.50	What Occurred: Online (lotto) ticket sales were stronger than expected; these sales are influenced by jackpots' size and can fluctuate from year to year. Data Source: Iowa Lottery Financial Reports
Total Pull-Tab Sales	\$15,000,000	\$15,073,332.46	What Occurred: Pull-tab sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Core Function: Resource Management			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Total Funds Transferred to General Fund and Veterans Fund	\$69,159,616	\$88,024,619.37	What Occurred: Total transfers exceeded the goal. Data Source: Iowa Lottery Financial Reports
Service, Product or Activity:			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of Operating & Advertising Budget* to Total Sales	8.3%	5.3%	What Occurred: Expenses were well controlled and stayed below budgeted goal relative to sales. Data Source: Iowa Lottery Financial Reports
Total Funds Transferred to General Fund	\$66,659,616	\$85,524,619.37	What Occurred: General Fund transfers exceeded the goal. Data Source: Iowa Lottery Financial Reports
Total Funds Transferred to Veterans Trust Fund	\$2,500,000	\$2,500,000.00	What Occurred: Veterans Trust Fund transfers a set amount. Data Source: Iowa Lottery Financial Reports
Core Function: Enforcement & Investigation			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of investigated complaints and indicators of concern regarding lottery products	100%	100%	What Occurred: Complaint investigation goal was met. Data Source: Iowa Lottery Security Department
Service, Product or Activity:			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of requests from law enforcement agencies and county attorney offices responded to by Security Division	100%	100%	What Occurred: Law enforcement assistance goal was met. Data Source: Iowa Lottery Security Department
Percent of requests from other divisions within the Lottery responded to by Security Division	100%	100%	What Occurred: Intra-lottery assistance goal was met. Data Source: Iowa Lottery Security Department
Percent of all lottery retailers that underwent compliance checks during the fiscal year	10%	10%	What Occurred: Compliance check goal was met. Data Source: Iowa Lottery Security Department
Percent of retailers that underwent compliance checks following a complaint	100%	100%	What Occurred: Follow-up compliance check goal was met. Data Source: Iowa Lottery Security Department
Core Function: Reconciliation Clearing Account			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Annual Prize Payments Due	\$1,615,000	\$1,507,000	What Occurred: All annuity prize payments due were made. Data Source: Iowa Lottery Financial Reports
Service, Product or Activity:			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of Prizes Paid to Prizes Due	100%	100%	What Occurred: Annuity prize payment goal was met. Data Source: Iowa Lottery Financial Reports

*Lottery Operating & Advertising Budget includes all administrative & advertising expenses incurred by the Lottery, but excludes other costs including, but not limited to, prize payments, retailer compensation, lottery system and terminal communications, and instant and pull-tab ticket expense and machine maintenance.

Iowa Lottery Authority
Statement of Net Position
June 30, 2016

Assets	
Current assets:	
Cash	\$ 25,843,911
Restricted assets - cash	658,832
Prepaid expense	157,177
Interest receivable	30,475
Accounts receivable, net	5,237,874
Ticket inventories	2,472,610
Investment in prize annuities	1,200,610
Total current assets	<u>35,601,489</u>
Noncurrent assets:	
Prize reserve	5,214,117
Investment in prize annuities	737,979
Capital assets, net	8,132,189
Total noncurrent assets	<u>14,084,285</u>
Total assets	<u>49,685,774</u>
Deferred Outflows of Resources	
Pension-related deferred outflows	<u>819,440</u>
Liabilities	
Current liabilities:	
Lotto prizes payable	5,128,141
Annuity prizes payable	1,200,610
Accounts payable and accruals	22,843,027
Unearned revenue	535,290
Salary and benefits payable	469,417
Compensated absences	856,673
Total current liabilities	<u>31,033,158</u>
Long-term liabilities:	
Accounts payable and accruals	14,554
Net pension liability	4,966,584
Prize reserve	5,214,117
Compensated absences and OPEB	1,431,236
Annuity prizes payable	737,979
Total long-term liabilities	<u>12,364,470</u>
Total liabilities	<u>43,397,628</u>
Deferred Inflows of Resources	
Pension-related deferred inflows	<u>553,509</u>
Net Position	
Net investment in capital assets	8,132,189
Unrestricted	(1,578,112)
Total net position	<u>\$ 6,554,077</u>

Iowa Lottery Authority
Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2016

Operating revenues:	
Instant-scratch ticket sales	\$233,681,883
Pick 3 sales	7,376,766
Powerball sales	74,851,133
Mega Millions sales	16,401,018
Hot Lotto sales	8,827,600
Pick 4 sales	3,554,719
All or Nothing sales	3,989,479
Lucky for Life sales	3,154,994
Pull-tab sales	15,073,332
Application fees	4,175
Other	33,065
Total operating revenues	<u>366,948,164</u>
Operating expenses:	
Prizes:	
Scratch ticket	151,760,771
Pick 3	4,369,699
Powerball	36,708,283
Mega Millions	7,975,529
Hot Lotto	4,223,018
Pick 4	2,082,846
All or Nothing	2,363,459
Lucky for Life	2,525,899
Pull-tab	9,422,428
VIP Club	168,607
Promotional	166,862
Total prizes	<u>221,767,401</u>
Retailer compensation	24,560,885
Advertising production and media purchases	6,821,537
Retailer lottery system/terminal communications	7,942,965
Instant/pull-tab ticket expense	3,259,394
Vending machines & maintenance/ticket dispensers	820,542
Courier delivery of tickets	563,738
Other operating expenses	12,654,373
Total operating expenses	<u>278,390,835</u>
Operating income	<u>88,557,329</u>
Non-operating revenue (expenses):	
Proceeds provided to State General Fund	(85,524,619)
Proceeds provided to Veteran's Trust Fund	(2,500,000)
Interest income	194,873
Gain on disposal of capital assets	28,156
Net non-operating revenues (expenses)	<u>(87,801,590)</u>
Change in net position	755,739
Net position beginning of year	<u>5,798,338</u>
Net position end of year	<u>\$6,554,077</u>

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and promotions, VIP Club details
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