



Oregon Lottery
 Operating Summary
 For the month ending January 31, 2024
 (in thousands)

	Traditional				Video				Sports				Total Lottery			
	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance
Revenue	\$ 31,620	\$ 34,266	\$45,583	\$ (2,646)	\$ 1,194,245	\$ 1,396,869	\$ 1,320,766	\$ (202,623)	\$ 68,579	\$ 68,550	\$ 61,540	\$ 29	\$1,294,444	\$ 1,499,684	\$ 1,427,889	\$ (205,240)
Prizes	20,386	22,136	27,124	1,750	1,106,357	1,293,081	1,223,432	186,724	59,988	62,305	55,061	2,317	1,186,731	1,377,522	1,305,617	190,791
Net Revenue	11,234	12,130	18,459	(896)	87,888	103,787	97,334	(15,899)	8,591	6,245	6,479	2,346	107,713	122,162	122,272	(14,449)
Direct Expenses	4,849	5,708	6,755	859	21,179	23,605	22,250	2,426	4,677	3,951	3,469	(726)	30,704	33,263	32,474	2,559
Total Indirect Revenue/(Loss)	(328)	69	4,409	(398)	1,939	865	248	1,074	114	25	10	89	1,724	959	4,667	766
Total Indirect Expense	704	759	1,073	56	7,351	9,479	6,880	2,128	502	271	340	(230)	8,556	10,509	8,293	1,953
Net Profit from Operations	5,353	5,732	15,040	(379)	61,298	71,569	68,452	(10,271)	3,526	2,048	2,680	1,479	70,177	79,349	86,172	(9,172)
Modernization Investment Spending													686	1,912	925	1,227
Net Profit													\$69,491	\$77,436	\$85,247	(\$7,945)

TOTAL LOTTERY				
	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance
Percentages of Distributable Revenue for the Month				
Prizes	91.7%	91.9%	91.4%	0.2%
Administrative Expenses	3.1%	3.0%	2.9%	(0.1%)
Percentages of Distributable Revenue for the Year				
Prizes	91.6%	91.7%	91.6%	0.1%
Administrative Expenses	3.2%	3.4%	3.0%	0.2%



Oregon Lottery
Operating Statement
For the month ending January 31, 2024

	Traditional	Video	Sports	Total Lottery			% Variance
				Actual	Budget	Variance	
Revenue							
Scratch-Its SM Instant Tickets	\$ 12,191,804			\$ 12,191,804	\$ 14,236,382	\$ (2,044,578)	-14.4%
Megabucks SM	3,454,419			3,454,419	2,679,651	774,768	28.9%
Powerball [®]	4,108,353			4,108,353	4,578,622	(470,269)	-10.3%
Mega Millions [®]	2,904,755			2,904,755	2,637,939	266,816	10.1%
Raffle SM	-			-	-	-	N/A
Keno	8,299,107			8,299,107	9,397,629	(1,098,522)	-11.7%
Pick 4 SM	142,908			142,908	170,518	(27,611)	-16.2%
Win For Life SM	401,214			401,214	396,602	4,612	1.2%
Lucky Lines SM	117,214			117,214	168,245	(51,031)	-30.3%
Video Lottery SM (Gross Receipts)		\$ 1,194,245,439		1,194,245,439	1,396,868,570	(202,623,131)	-14.5%
Sports Wagering (Gross Receipts)			\$ 68,578,503	68,578,503	68,549,577	28,926	0.0%
Total Revenue	31,619,774	1,194,245,439	68,578,503	1,294,443,716	1,499,683,735	(205,240,019)	-13.7%
Prizes	(20,385,923)	(1,106,357,186)	(59,987,675)	(1,186,730,784)	(1,377,521,882)	190,791,098	13.9%
Net Revenue	11,233,851	87,888,253	8,590,828	107,712,932	122,161,853	(14,448,922)	-11.8%
Direct Expenses							
Commissions	2,751,507	18,442,924	-	21,194,431	24,114,582	2,920,151	12.1%
Game Vendor Charges	826,377	51,376	4,676,685	5,554,438	4,999,672	(554,766)	-11.1%
Tickets	255,669	-	-	255,669	645,846	390,177	60.4%
Advertising	351,000	20,000	-	371,000	911,180	540,180	59.3%
Sales Support	21,175	(258)	-	20,917	118,853	97,936	82.4%
Game Equipment, Parts & Maintenance	(345)	871,166	-	870,820	98,150	(772,670)	-787.2%
Depreciation	643,222	1,787,704	-	2,430,926	2,373,832	(57,095)	-2.4%
Interest Expense	34	6,148	-	6,182	912	(5,270)	-577.9%
Direct Expenses	4,848,640	21,179,060	4,676,685	30,704,384	33,263,027	2,558,642	7.7%
Gross Profit	6,385,211	66,709,193	3,914,143	77,008,548	88,898,827	(11,890,279)	-13.4%
Indirect Revenue							
Gain (Loss) on Sale of Fixed Assets	584	6,098	358	7,040	-	7,040	N/A
Other Income/(Expense)	184,995	1,932,726	113,416	2,231,137	958,666	1,272,471	132.7%
Investment Market Value Adj	(513,969)	-	-	(513,969)	-	(513,969)	N/A
Total Indirect Revenue/(Loss)	(328,390)	1,938,825	113,774	1,724,208	958,666	765,542	79.9%
Indirect Expenses							
Public Information	1,172	12,240	718	14,130	201,832	187,702	93.0%
Market Research	232	2,423	142	2,797	98,000	95,203	97.1%
Salaries, Wages & Benefits	569,324	5,947,987	414,179	6,931,490	6,565,345	(366,145)	-5.6%
Services & Supplies	85,058	888,640	57,330	1,031,028	3,314,665	2,283,637	68.9%
Depreciation	47,107	492,148	28,877	568,132	329,109	(239,022)	-72.6%
Interest Expense	676	7,067	415	8,158	-	(8,158)	N/A
Total Indirect Expense	703,569	7,350,505	501,660	8,555,734	10,508,951	1,953,217	18.6%
Net Profit from Operations	5,353,252	61,297,513	3,526,256	70,177,022	79,348,542	(9,171,520)	-11.6%
Modernization Investment Spending				685,877	1,912,416	1,226,539	64.1%
Net Profit				\$ 69,491,145	\$ 77,436,126	\$ (7,944,980)	-10.3%



Oregon Lottery
Supplemental Schedule of Services and Supplies Expenses
For the month ending January 31, 2024

	Traditional			Video			Sports			Total Lottery		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Travel	\$ 1,340	\$ 2,762	\$ 1,423	\$ 13,995	\$ 34,488	\$ 20,494	\$ 821	\$ 987	\$ 166	\$ 16,155	\$ 38,237	\$ 22,082
Office Expenses	1,442	2,183	742	15,061	27,258	12,197	884	780	(104)	17,386	30,221	12,835
Retailer Network Expenses	41,035	-	(41,035)	428,715	-	(428,715)	-	-	-	469,750	-	(469,750)
Retailer Network Recovery	(49,501)	-	49,501	(517,159)	-	517,159	-	-	-	(566,660)	-	566,660
Telecommunications	3,469	7,104	3,636	36,240	88,702	52,462	2,126	2,538	412	41,835	98,344	56,509
Intergovernmental Charges	10,615	11,312	697	110,902	141,237	30,335	6,507	4,041	(2,466)	128,025	156,590	28,565
Technology Expenses	37,618	56,449	18,831	393,012	704,801	311,789	23,060	20,165	(2,895)	453,690	781,415	327,725
Professional Services	29,317	140,105	110,788	306,288	1,749,305	1,443,017	17,971	50,050	32,079	353,576	1,939,460	1,585,884
Staff Training & Recruiting	1,891	3,428	1,536	19,761	42,795	23,034	1,159	1,224	65	22,812	47,447	24,635
Facilities	2,450	4,206	1,756	25,597	52,510	26,913	1,502	1,502	0	29,549	58,218	28,669
Facilities Maintenance	2,462	2,850	388	25,721	35,580	9,859	1,509	1,018	(491)	29,693	39,448	9,755
Other Services & Supplies	1,700	4,540	2,841	17,757	56,691	38,933	1,042	1,622	580	20,499	62,853	42,354
Fleet Expenses	2,847	4,510	1,663	29,742	56,311	26,569	1,745	1,611	(134)	34,334	62,432	28,098
TOTAL	86,684	239,449	152,764	905,632	2,989,677	2,084,046	58,327	85,539	27,212	1,050,643	3,314,665	2,264,022
Less Non Distributable Revenue	(1,626)	-	1,626	(16,992)	-	16,992	(997)	-	997	(19,615)	-	19,615
AMOUNT REPORTED	\$ 85,058	\$ 239,449	\$ 154,391	\$ 888,640	\$ 2,989,677	\$ 2,101,038	\$ 57,330	\$ 85,539	\$ 28,209	\$ 1,031,028	\$ 3,314,665	\$ 2,283,637



Oregon Lottery
Operating Statement
Year to Date Through January 31, 2024

	Traditional	Video	Sports	Total Lottery			% Variance
				Actual	Budget	Variance	
Revenue							
Scratch-Its SM Instant Tickets	\$ 93,119,279			\$ 93,119,279	\$ 92,261,449	\$ 857,830	0.9%
Megabucks SM	19,643,809			19,643,809	17,703,197	1,940,612	11.0%
Powerball [®]	67,398,415			67,398,415	61,479,337	5,919,078	9.6%
Mega Millions [®]	32,900,767			32,900,767	32,831,798	68,969	0.2%
Raffle SM	-			-	-	-	N/A
Keno	60,911,456			60,911,456	62,343,007	(1,431,551)	-2.3%
Pick 4 SM	1,161,228			1,161,228	1,195,255	(34,028)	-2.8%
Win For Life SM	3,052,353			3,052,353	3,002,277	50,076	1.7%
Lucky Lines SM	1,111,104			1,111,104	1,091,609	19,495	1.8%
Video Lottery SM (Gross Receipts)		\$ 9,126,534,519		9,126,534,519	9,385,556,936	(259,022,417)	-2.8%
Sports Wagering (Gross Receipts)			\$ 425,607,485	425,607,485	370,169,191	55,438,294	15.0%
Total Revenue	279,298,411	9,126,534,519	425,607,485	9,831,440,414	10,027,634,056	(196,193,643)	-2.0%
Prizes	(170,433,829)	(8,452,808,612)	(383,569,564)	(9,006,812,005)	(9,197,481,046)	190,669,041	2.1%
Net Revenue	108,864,582	673,725,906	42,037,920	824,628,408	830,153,010	(5,524,602)	-0.7%
Direct Expenses							
Commissions	23,993,493	167,447,579	-	191,441,072	190,223,246	(1,217,826)	-0.6%
Game Vendor Charges	7,072,121	503,222	21,923,205	29,498,548	29,583,089	84,541	0.3%
Tickets	1,928,718	-	-	1,928,718	2,730,647	801,929	29.4%
Advertising	4,035,342	201,492	-	4,236,833	4,860,160	623,327	12.8%
Sales Support	263,668	(258)	-	263,410	665,446	402,036	60.4%
Game Equipment, Parts & Maintenance	101,692	4,112,871	-	4,214,563	6,575,794	2,361,231	35.9%
Depreciation	4,510,886	11,518,205	-	16,029,091	16,815,365	786,273	4.7%
Interest Expense	947	55,325	-	56,272	6,384	(49,888)	-781.5%
Direct Expenses	41,906,867	183,838,435	21,923,205	247,668,507	251,460,130	3,791,624	1.5%
Gross Profit	66,957,715	489,887,472	20,114,716	576,959,902	578,692,880	(1,732,978)	-0.3%
Indirect Revenue							
Gain (Loss) on Sale of Fixed Assets	10,041	72,712	3,599	86,352	-	86,352	N/A
Other Income	1,651,958	11,508,454	486,143	13,646,555	6,710,662	6,935,893	103.4%
Investment Market Value Adj	(353,266)	-	-	(353,266)	-	(353,266)	N/A
Total Indirect Revenue/(Loss)	1,308,733	11,581,167	489,741	13,379,641	6,710,662	6,668,979	99.4%
Indirect Expenses							
Public Information	65,832	481,648	17,945	565,425	970,824	405,399	41.8%
Market Research	42,579	317,740	9,718	370,037	846,958	476,921	56.3%
Salaries, Wages & Benefits	5,456,172	40,019,890	2,094,063	47,570,124	45,957,416	(1,612,709)	-3.5%
Services & Supplies	1,531,439	11,071,798	465,156	13,068,393	23,741,128	10,672,735	45.0%
Depreciation	300,418	2,674,326	117,298	3,092,043	2,216,523	(875,520)	-39.5%
Interest Expense	3,966	43,554	2,001	49,521	-	(49,521)	N/A
Total Indirect Expense	7,400,406	54,608,957	2,706,181	64,715,544	73,732,849	9,017,305	12.2%
Net Profit from Operations	60,866,042	446,859,681	17,898,276	525,623,999	511,670,693	13,953,306	2.7%
Modernization Investment Spending				5,304,576	13,386,904	8,082,328	60.4%
Net Profit				\$ 520,319,424	\$ 498,283,789	\$ 22,035,634	4.4%



Oregon Lottery
Supplemental Schedule of Services and Supplies Expenses
Year to Date Through January 31, 2024

	Traditional			Video			Sports			Total Lottery		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Travel	27,611	28,673	1,062	198,482	358,003	159,521	10,406	10,243	(163)	236,498	396,919	160,421
Office Expenses	16,375	17,052	677	118,834	212,907	94,073	5,065	6,092	1,027	140,274	236,051	95,777
Retailer Network Expenses	400,864	-	(400,864)	2,929,278	-	(2,929,278)	-	-	-	3,330,141	-	(3,330,141)
Retailer Network Recovery	(454,758)	-	454,758	(3,413,552)	-	3,413,552	-	-	-	(3,868,310)	-	3,868,310
Telecommunications	62,055	49,730	(12,325)	468,137	620,913	152,776	18,826	17,765	(1,061)	549,018	688,408	139,390
Intergovernmental Charges	112,400	79,184	(33,217)	837,480	988,659	151,179	34,292	28,287	(6,005)	984,173	1,096,130	111,957
Technology Expenses	407,410	394,375	(13,035)	3,030,673	4,924,027	1,893,354	121,799	140,883	19,085	3,559,881	5,459,285	1,899,404
Professional Services	820,447	984,283	163,836	5,913,470	12,289,419	6,375,950	233,608	351,618	118,010	6,967,524	13,625,320	6,657,796
Staff Training & Recruiting	29,077	39,023	9,946	223,254	487,224	263,970	9,041	13,940	4,899	261,372	540,187	278,815
Facilities	27,690	29,439	1,750	139,053	367,570	228,517	4,910	10,517	5,607	171,653	407,526	235,873
Facilities Maintenance	30,535	19,948	(10,587)	253,339	249,062	(4,277)	10,167	7,126	(3,041)	294,041	276,136	(17,905)
Other Services & Supplies	31,325	41,765	10,440	230,230	521,458	291,228	10,394	14,920	4,526	271,948	578,142	306,194
Fleet Expenses	41,813	31,570	(10,243)	292,651	394,176	101,525	11,370	11,278	(92)	345,834	437,024	91,190
TOTAL	1,552,843	1,715,041	162,198	11,221,328	21,413,419	10,192,091	469,878	612,668	142,791	13,244,049	23,741,128	10,497,079
Less Non Distributable Revenue	(21,404)	-	21,404	(149,529)	-	149,529	(4,721)	-	4,721	(175,655)	-	175,655
AMOUNT REPORTED	1,531,439	1,715,041	183,602	11,071,798	21,413,419	10,341,621	465,156	612,668	147,512	13,068,393	23,741,128	10,672,735

Oregon Lottery
Comparative Balance Sheet
As of January 31, 2024

	As of 1/31/2024	As of 1/31/2023	As of 1/31/2022
Assets			
Current Assets:			
Cash	\$ 377,849,428	\$ 364,193,893	\$ 324,345,256
Securities Lending Cash Collateral	1,975,603	\$3,079,898	-
Investments for Prize Payments at Fair Value - Short-Term	10,563,039	11,094,767	11,705,799
Accounts Receivable - Games	21,262,173	43,540,424	35,906,382
Accounts Receivable - Other	60,620	21,225	19,121
Allowance for Doubtful Accounts	(41,278)	(339,020)	(309,221)
Ticket Inventory	1,917,764	1,884,618	1,519,039
Prepaid Expenses	3,191,365	2,836,513	2,362,865
Total Current Assets	416,778,714	426,312,318	375,549,241
Noncurrent Assets:			
Noncurrent Cash	-	-	-
Investments for Prize Payments at Fair Value - Long Term	88,152,894	94,685,961	110,906,744
Prize Reserves with Multi-State Lottery (MUSL)	4,416,745	4,186,976	4,246,816
Prize Reserves for Sports	320,000	320,000	2,320,000
Net OPEB Asset - RHIA	1,833,552	1,561,144	680,959
Capital Assets:			
Equipment, Net of Accumulated Depreciation	81,383,060	71,562,396	59,651,425
Computer Software, Net of Accumulated Depreciation	18,325,430	9,703,511	11,477,167
Building and Improvements, Net of Accumulated Depreciation	7,404,118	6,656,916	7,073,387
Leased Property and Equipment, Net of Accumulated Depreciation	1,679,831	1,179,936	82,615
Vehicles, Net of Accumulated Depreciation	2,670,421	2,123,539	1,818,702
Capital In Progress	548,265	-	-
Leasehold Improvements, Net of Accumulated Depreciation	59,469	112,026	24,167
Total Noncurrent Assets	206,793,786	192,092,405	198,281,982
Deferred Outflows Pension & OPEB	27,394,861	25,670,833	23,554,934
Total Assets and Deferred Outflows	650,967,360	644,075,556	597,386,157
Liabilities			
Current Liabilities:			
Economic Development Fund Liability	87,574,255	86,619,047	89,465,346
Obligations Under Securities Lending	1,975,603	3,079,898	-
Prize Liability	45,590,080	44,144,455	47,562,578
Accounts Payable	14,916,141	15,945,980	10,129,943
Compensated Absences - Current	4,967,523	4,689,853	5,650,189
Deferred Revenue	3,181,827	3,080,573	1,923,606
Deposit Liability	797,194	356,823	206,569
Contracts Payable - Current	3,201,589	2,138,637	1,611,614
Total Current Liabilities	162,204,212	160,055,266	156,549,845
Noncurrent Liabilities:			
Deferred Prize Liability	102,604,380	107,266,917	108,336,585
Compensated Absences - Noncurrent	-	-	-
Contracts Payable - Noncurrent	4,602,567	5,593,668	7,840,643
Net Pension Liability	58,891,329	40,731,310	74,797,398
Net Other Postemployment Benefits (OPEB) Obligation	843,747	955,560	1,270,966
Total Noncurrent Liabilities	166,942,023	154,547,455	192,245,592
Deferred Inflows Pension & OPEB	15,743,615	25,263,909	2,021,814
Total Liabilities and Deferred Inflows	344,889,850	339,866,630	350,817,251
Equity			
Retained Earnings:			
Fixed Asset Book Value Net of Associated Liabilities	106,337,084	86,247,971	73,623,046
Inventory and Prepays	5,109,129	4,721,131	3,881,903
Asset/Project Purchases Committed	57,797,746	76,678,679	68,382,996
Restricted for OPEB Asset	1,833,552	1,561,144	680,959
Operating Working Capital	135,000,000	135,000,000	100,000,000
Total Retained Earnings	306,077,510	304,208,925	246,568,904
Total Liabilities and Equity	\$650,967,360	\$644,075,554	\$597,386,156

Oregon Lottery
Cash Flow Statement
For the month ending January 31, 2024

	<u>Current Month</u>	<u>Year to Date</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 1,316,017,822	\$ 9,839,817,516
Payments to Prize Winners	(1,190,046,687)	(9,000,543,794)
Payments to Employees	(3,989,078)	(26,413,044)
Payments to Suppliers	(33,577,510)	(266,868,667)
Other Income	40,287	400,616
Net Cash Provided (Used) in Operating Activities	88,444,834	546,392,627
Cash Flows from Noncapital Financing Activities:		
Transfers to EDL	(234,800,349)	(695,259,676)
Pre SLGRP Payments	-	-
Net Cash Provided (Used) in Noncapital Financing Activities	(234,800,349)	(695,259,676)
Cash Flows from Capital and Related Financing Activities:		
Acquisition/Restoration of Capital Assets	(2,949,221)	(25,291,903)
Contract Payments	(237,483)	(2,025,656)
Proceeds from Disposition/Impairment of Capital Assets	7,040	244,847
Net Cash Provided (Used) in Capital and Related Financing Activities	(3,179,664)	(27,072,713)
Cash Flows from Investing Activities:		
Purchases of Investments	-	(1,290,516)
Proceeds from Sales and Maturities of Investments	752,000	4,518,000
Interest on Investments and Cash Balances	2,189,116	13,291,511
Investment Expense	-	(6,964)
Net Cash Provided (Used) in Investing Activities	2,941,116	16,512,031
Net Increase (Decrease) in Cash and Cash Equivalents	(146,594,063)	(159,427,731)
Cash and Cash Equivalents - Beginning	524,443,492	537,277,161
Cash and Cash Equivalents - Ending	\$ 377,849,428	\$ 377,849,430
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities		
Net Profit/(Loss)	\$ 69,491,145	\$ 520,319,424
Adjustments to reconcile net profit to cash flows from operating activities		
Depreciation and Amortization	2,999,058	19,121,134
Non-operating (Income)/Expense	(1,934,205)	(14,733,613)
(Gain)/Loss on Capital Asset Disposition	(7,040)	(86,352)
Net Changes in Assets and Liabilities:		
(Increase) / Decrease in Accounts Receivable - Games	21,281,492	6,871,679
(Increase) / Decrease in Ticket Inventory	198,811	480,518
(Increase) / Decrease in Prepaid Expense/Def Outflows	(704,039)	(4,343,995)
(Increase) / Decrease in Prize Reserves	(13,175)	(148,143)
(Increase) / Decrease in Net OPEB Asset	-	-
Increase / (Decrease) in Accounts Payable	(1,553,561)	(1,318,268)
Increase / (Decrease) in Compensated Absences Liability	131,484	327,534
Increase / (Decrease) in Deposit Liability	(87,071)	504,854
Increase / (Decrease) in Deferred Revenue/Inflows	264,440	1,281,519
Increase / (Decrease) in Prize Liability	(3,042,504)	8,176,335
Increase / (Decrease) in Net OPEB Obligation	-	-
Increase / (Decrease) in Net Pension Liability	1,420,000	9,940,000
Total Adjustments and Changes	18,953,689	26,073,203
Net Cash Provided (Used) by Operating Activities	\$ 88,444,834	\$ 546,392,627



Oregon State Lottery
Fiscal Year 2024 Financial Plan
(In Thousands)

	Commission Approved Budget				Forecast Adjustments				Adjusted Budget			
	Traditional	Video	Sports	Total	Sept	Dec	March	May	Traditional	Video	Sports	Total
Revenue												
Video Lottery SM		\$16,522,863		\$16,522,863	\$ (61,293)	\$ (43,687)				\$16,417,883		\$16,417,883
Scratch-its SM Instant Tickets	\$ 156,123			156,123	599	280			\$157,003			157,003
Megabucks SM	31,286			31,286	(513)	(220)			30,552			30,552
Powerball [®]	49,698			49,698	10,968	23,117			83,783			83,783
Mega Millions [®]	26,938			26,938	14,786	3,958			45,681			45,681
Keno	105,800			105,800	1,239	(130)			106,909			106,909
Raffle SM	2,500			2,500	-	-			2,500			2,500
Pick 4 SM	2,000			2,000	(6)	32			2,026			2,026
Win for Life SM	3,864			3,864	292	768			4,924			4,924
Lucky Lines SM	1,986			1,986	(87)	12			1,911			1,911
Scoreboard			647,376	647,376	(0)	-					\$ 647,376	647,376
Total Revenue	380,195	16,522,863	647,376	17,550,434	(34,016)	(15,871)	-	-	435,289	16,417,883	647,376	17,500,547
Prizes	245,869	15,285,855	588,399	16,120,123	(38,286)	(25,352)			273,823	15,194,264	588,399	16,056,485
Net revenue	134,326	1,237,008	58,977	1,430,311	4,269	9,481	-	-	161,466	1,223,619	58,977	1,444,062
Direct Expenses												
Commissions	30,431	279,098		309,529	740	1,196			34,838	276,627		311,465
Game Vendor Charges	9,788	2,103	37,348	49,239	684	697			11,168	2,103	37,348	50,619
Tickets	4,628			4,628	0	-			4,628			4,628
Advertising	7,271	380		7,651	(0)	-			7,271	380	-	7,651
Sales Support	1,080			1,080	0	-			1,080			1,080
Game Equip, Parts & Maint	1	12,632		12,633	(0)	-			1	12,632		12,633
Depreciation	5,570	23,083		28,653	(0)	-			5,570	23,083		28,654
Capital Interest		11		11	(0)	-				11		11
Total Direct Expenses	58,769	317,307	37,348	413,424	1,423	1,893	-	-	64,557	314,835	37,348	416,741
Gross Profit	75,557	919,701	21,629	1,016,887	2,846	7,589	-	-	96,908	908,784	21,629	1,027,321
Relative Gross Profit %	7.43%	90.44%	2.13%						9.43%	88.46%	2.11%	
Indirect Revenue	873	10,630	-	11,503	-	-	-	-	1,085	10,177	242	11,504
Indirect Expenses												
Public Information	88	1,075	25	1,188	-	-			112	1,052	25	1,189
Market Research	64	779	18	861	-	-			81	762	18	861
Salaries & Benefits	5,802	70,628	2,354	78,784	-	-			7,432	69,694	1,659	78,784
Services & Supplies	2,993	36,434	857	40,284	-	-			3,800	35,635	848	40,284
Depreciation	256	3,118	73	3,447	-	-			325	3,049	73	3,448
Total Indirect Expenses	9,203	112,034	3,327	124,564	-	-	-	-	11,750	110,192	2,623	124,566
Net Profit from Operations	67,227	818,297	18,302	903,826	2,846	7,589	-	-	86,243	808,769	19,248	914,259
Modernization Reserve Spending				22,949	-	-						22,949
Net Profit				\$880,877	2,846	7,589	-	-				\$891,310
Additional Information:												
Capital outlay				36,862	-							36,862

Unaudited, not presented in accordance with GAAP
Budget based on December forecast



Operating Statement Analysis
For the month of and year to date as of:
1/31/24

	Month				Year-to-Date				Prior Year				Completed Portion	58.3%
	Actual	Budget	Variance Favorable/ (Unfavorable) to Budget	Variance %	Actual	Budget	Variance Favorable/ (Unfavorable) to Budget	Variance %	Current Month		Current YTD		Annual Budget	% Earned or Used Year to Date
									More/(Less) Than Prior	YTD	More/(Less) Than Prior Year	YTD		
Revenue														
Scratch-Its™ Instant Tickets	\$ 12,191,804	\$ 14,236,382	\$ (2,044,578)	-14.4%	\$ 93,119,279	\$ 92,261,449	\$ 857,830	0.9%	\$ 13,559,724	\$ (1,367,920)	\$ 93,641,187	\$ (521,908)	\$ 157,002,644	59.3%
Megabucks™	3,454,419	2,679,651	774,768	28.9%	19,643,809	17,703,197	1,940,612	11.0%	2,226,667	1,227,752	17,906,906	1,736,903	30,552,271	64.3%
Powerball®	4,108,353	4,578,622	(470,269)	-10.3%	67,398,415	61,479,337	5,919,078	9.6%	8,151,130	(4,042,777)	54,276,346	13,122,069	83,783,003	80.4%
Mega Millions®	2,904,755	2,637,939	266,816	10.1%	32,900,767	32,831,798	68,969	0.2%	11,694,317	(8,789,562)	42,106,290	(9,205,523)	45,681,084	72.0%
Raffle™	-	-	-	N/A	-	-	-	N/A	-	-	(30)	30	2,500,000	0.0%
Keno	8,299,107	9,397,629	(1,098,522)	-11.7%	60,911,456	62,343,007	(1,431,551)	-2.3%	9,335,918	(1,036,811)	63,854,424	(2,942,968)	106,909,118	57.0%
Pick 4™	142,908	170,518	(27,611)	-16.2%	1,161,228	1,195,255	(34,028)	-2.8%	155,010	(12,103)	1,146,650	14,578	2,025,750	57.3%
Win For Life™	401,214	396,602	4,612	1.2%	3,052,353	3,002,277	50,076	1.7%	342,026	59,188	2,303,206	749,147	4,923,836	62.0%
Lucky Lines™	117,214	168,245	(51,031)	-30.3%	1,111,104	1,091,609	19,495	1.8%	118,222	(1,008)	1,093,026	18,078	1,911,111	58.1%
Video Lottery™ (Gross Receipts)	1,194,245,439	1,396,868,570	(202,623,131)	-14.5%	9,126,534,519	9,385,556,936	(259,022,417)	-2.8%	1,320,765,941	(126,520,502)	9,273,105,973	(146,571,455)	16,448,585,554	55.5%
Sports Wagering (Gross Receipts)	68,578,503	68,549,577	28,926	0.0%	425,607,485	370,169,191	55,438,294	15.0%	61,539,999	7,038,504	319,225,443	106,382,042	647,375,704	65.7%
Total Revenue	1,294,443,716	1,499,683,735	(205,240,019)	-13.7%	9,831,440,414	10,027,634,056	(196,193,643)	-2.0%	1,427,888,954	(133,445,238)	9,868,659,421	(37,219,007)	17,531,250,075	56.1%
Prizes	(1,186,730,784)	(1,377,521,882)	190,791,098	13.9%	(9,006,812,005)	(9,197,481,046)	190,669,041	2.1%	(1,305,616,968)	(118,886,185)	(9,044,479,690)	(37,667,684)	(16,087,188,243)	56.0%
Net Revenue	107,712,932	122,161,853	(14,448,922)	-11.8%	824,628,408	830,153,010	(5,524,602)	-0.7%	122,271,985	(14,559,054)	824,179,731	448,677	1,444,061,832	57.1%
Direct Expenses														
Commissions	21,194,431	24,114,582	2,920,151	12.1%	191,441,072	190,223,246	(1,217,826)	-0.6%	24,499,083	(3,304,652)	194,307,851	(2,866,779)	311,464,859	61.5%
Game Vendor Charges	5,554,438	4,999,672	(554,766)	-11.1%	29,498,548	29,583,089	84,541	0.3%	4,691,756	862,682	23,908,175	5,590,372	50,619,228	58.3%
Tickets	255,669	645,846	390,177	60.4%	1,928,718	2,730,647	801,929	29.4%	275,724	(20,054)	1,762,897	165,821	4,628,444	41.7%
Advertising	371,000	911,180	540,180	59.3%	4,236,833	4,860,160	623,327	12.8%	774,087	(403,087)	4,243,586	(6,753)	7,650,984	55.4%
Sales Support	20,917	118,853	97,936	82.4%	263,410	665,446	402,036	60.4%	119,548	(98,631)	447,707	(184,297)	1,080,098	24.4%
Game Equipment, Parts & Maintenance	870,820	98,150	(772,670)	-787.2%	4,214,563	6,575,794	2,361,231	35.9%	189,514	681,306	954,619	3,259,944	12,632,688	33.4%
Depreciation	2,430,926	2,373,832	(57,095)	-2.4%	16,029,091	16,815,365	786,273	4.7%	1,918,281	512,645	12,169,144	3,859,947	28,653,708	55.9%
Interest Expense	6,182	912	(5,270)	-577.9%	56,272	6,384	(49,888)	-781.5%	6,588	(406)	58,362	(2,089)	10,946	514.1%
Direct Expenses	30,704,384	33,263,027	2,558,642	7.7%	247,668,507	251,460,130	3,791,624	1.5%	32,474,580	(1,770,196)	237,852,342	9,816,164	416,740,956	59.4%
Gross Profit	77,008,548	88,898,827	(11,890,279)	-13.4%	576,959,902	578,692,880	(1,732,978)	-0.3%	89,797,405	(12,788,857)	586,327,389	(9,367,487)	1,027,320,876	56.2%
Indirect Revenue														
Gain (Loss) on Sale of Fixed Assets	7,040	-	7,040	N/A	86,352	-	86,352	N/A	352,000	(344,960)	3,447,730	(3,361,378)	-	N/A
Other Income/(Expense)	2,231,137	958,666	1,272,471	132.7%	13,646,555	6,710,662	6,935,893	103.4%	1,410,918	820,219	6,462,692	7,183,863	11,504,000	118.6%
Investment Market Value Adj	(513,969)	-	(513,969)	N/A	(353,266)	-	(353,266)	N/A	2,904,634	(3,418,603)	(4,119,702)	3,766,436	-	N/A
Total Indirect Revenue/(Loss)	1,724,208	958,666	765,542	79.9%	13,379,641	6,710,662	6,668,979	99.4%	4,667,552	(2,943,344)	5,790,721	7,588,920	11,504,000	116.3%
Indirect Expenses														
Public Information	14,130	201,832	187,702	93.0%	565,425	970,824	405,399	41.8%	186,883	(172,754)	649,953	(84,527)	1,188,000	47.6%
Market Research	2,797	98,000	95,203	97.1%	370,037	846,958	476,921	56.3%	15,031	(12,234)	324,882	45,155	860,525	43.0%
Salaries, Wages & Benefits	6,931,490	6,565,345	(366,145)	-5.6%	47,570,124	45,957,416	(1,612,709)	-3.5%	6,502,958	428,532	43,438,348	4,131,776	78,784,157	60.4%
Services & Supplies	1,031,028	3,314,665	2,283,637	68.9%	13,068,393	23,741,128	10,672,735	45.0%	1,416,398	(385,370)	11,820,306	1,248,088	40,284,117	32.4%
Depreciation	568,132	329,109	(239,022)	-72.6%	3,092,043	2,216,523	(875,520)	-39.5%	171,954	396,178	1,297,754	1,794,289	3,447,672	89.7%
Interest Expense	8,158	-	(8,158)	N/A	49,521	-	(49,521)	N/A	-	8,158	-	49,521	-	N/A
Total Indirect Expense	8,555,734	10,508,951	1,953,217	18.6%	64,715,544	73,732,849	9,017,305	12.2%	8,293,225	262,509	57,531,243	7,184,301	124,564,470	52.0%
Net Profit from Operations	70,177,022	79,348,542	(9,171,520)	-11.6%	525,623,999	511,670,693	13,953,306	2.7%	86,171,733	(15,994,711)	534,586,867	(8,962,867)	914,260,406	57.5%
Modernization Investment Spending	685,877	1,912,416	1,226,539	64.1%	5,304,576	13,386,904	8,082,328	60.4%	925,177	(239,300)	4,213,842	1,090,734	22,949,000	23.1%
Net Profit	\$ 69,491,145	\$ 77,436,126	\$ (7,944,980)	-10.3%	\$ 520,319,424	\$ 498,283,789	\$ 22,035,634	4.4%	\$ 85,246,556	\$ (15,755,410)	\$ 530,373,025	\$ (10,053,602)	\$ 891,311,406	58.4%



Together, we do good things.

January 2024 Variance Analysis

January revenue was under budget by \$205,240,019 which was impacted by weather related events. Year-to-date revenue is under budget by \$196,193,643 primarily attributed to lower Video Lottery sales. Video sales were under budget in January by \$202,623,131 and Year-to-Date Video sales are under budget by \$259,022,417. Trends from the Department of Administrative Services indicate lagging video lottery sales are due to a softer economy and not video specific.

January Net Profit fell short by \$9,171,520 on a plan of \$79,348,542. While functional expenses remain under budget, we have highlighted notable variances in our operating statement.

Retailer Commissions: January variance- \$2,920,151; YTD (\$1,217,826)

- Traditional commissions year-to-date are over budget by \$2,232,139.
 - About two-thirds of the overage is due to the budgeted commission rate being too low. Retailer commissions incorporate sales commission, validation commission, and prize selling bonus. The budgeted rate was 8.003% while the actual rate is about 8.591%. The actual rate is following the previous year trends.
 - Sales over forecast caused the other one-third of the overage.
- Video commissions year to date are under budget by \$1,014,313.
 - The budgeted rate was 1.795%. However, the actual rate is higher at 1.835%. This created a negative rate variance which added to the overall variance.
 - Year-to-date sales are \$259,022,417 under budgeted, saving \$1,217,826 in expected commissions.

Game Vendor Charges: January variance- (\$554,766); YTD \$84,541

January Game Vendor Charges are over budget by \$554,766. This unfavorable variance is driven by sales being more than expected for traditional and sports products. Both products' charges are based on sales. Year-to-date the expenses are within 3% of the budget.

Tickets- January Variance \$390,177; YTD \$801,929

January had a favorable variance of \$390,177 which is explained by the weaker than expected sales in Scratch-Its due to weather related events. Year-to-Date, there is a favorable variance of \$801,929. This favorable condition is attributed to the planned revenue forecast when the budget was made assumed a higher forecast vs. actuals. Therefore, usage/timing of new tickets is lower and there is a longer window between reorders.

Advertising-January Variance \$540,180; YTD \$623,327

January had a favorable variance of \$540,180 and Year-to-Date favorable variance of \$623,327. The favorable variances are mostly due to the way budgeted dollars are allocated. Another factor is the way campaigns and production may fluctuate throughout the year with various agencies and beneficiaries. It is expected that by June, Advertising will be at approximately 94% of their budget with some cost savings based on renewal negotiations with vendors and products.

Sales Support-January Variance \$97,936; YTD \$402,036

January favorable variance of \$97,936 and Year-to-date favorable variance of \$402,036. The favorable variance is due to lower maintenance costs for signs and displays. Materials for maintenance and replacement are significantly lower than originally planned. LED Bulb replacement will occur closer to year end and will be included in the FY 2025 budget. This favorable variance will continue through the remainder of FY 2024.

Game, Equipment, Parts, & Maintenance (GEPM)-January Variance (\$722,670); YTD \$2,361,231

January GEPM is unfavorable by \$772,670 due to the purchase of spare parts for the Light & Wonder terminal. This expense was budgeted for FY 2024, but the purchase was allocated to a different month in the budget and will smooth out by year-end. Year-to-Date is favorable by \$2,361,231 due to the spending plan for Video Game Sets being recognized in FY25 and other initiatives related to Video Lottery.

Interest (Direct & Indirect Expense)

Unfavorable variances in Interest expense are due to either budgeting low, or not at all, due to the lack of information for projecting these expenses. We were still in the process of implementing GASB 96 (Software Base Subscription Assets) when the budget was prepared. Although the overage to budget is a large percentage, actual amounts are small.

Other Income/(Expense)-January Variance \$1,272,471; YTD \$6,935,893

Both January and Year-to-Date positive variances are due to the robust interest earning market. The rate at this time last year was approximately 3.1% compared to 5% currently.

Public Information-January Variance \$187,102; YTD \$405,399

January favorable variance of \$187,102 and Year-to-date favorable variance of \$405,399. Expense is lower than expected for both the month and year-to-date. As with Advertising, the variances are driven by the fluctuations that exist within campaigns and direction from our agency. While there will be some cost savings toward year-end, the plan is still on track for the remainder of the fiscal year.

Market Research –January Variance \$95,203; YTD \$476,921

January favorable balance of \$95,203 and Year-to-Date favorable variance of \$476,921 are due to the difficulty in estimating costs of studies as some are not scoped when we create the budget. Some planned research did not occur as we paused to work on products while awaiting direction from the Governor.

Services & Supplies January Variance \$2,283,637; YTD \$10,672,735

January has a favorable variance of \$2,283,637. Year-to-date has a favorable variance of \$10,672,735. Both January and Year-to-Date favorable conditions are attributable to the following segments:

- Retailer Network Expenses/Recovery Expense & Recovery produce nearly a net effect but is included here for informational purposes. As explained in previous months there was no budget included as contract negotiations for our Network services were ongoing.
- Technology Expenses – January favorable variance of \$327,725 and Year-to-Date favorable variance of \$111,957 are due to purchases not following the budget pattern of equal spending each month.
- Professional Services– January favorable variance of \$1,585,884 and Year-to-Date favorable variance of \$6,657,796 is due to several projects that are still in or just coming out of the RFP process or work efforts that will either not be started this fiscal year or are no longer needed so this positive variance will continue throughout the remainder of the fiscal year.

Salaries, Wages, & Benefits-January Variance (\$366,145); YTD (\$1,612,709)

As noted in previous months, January and Year-to-Date variances are due to a formulaic error with Other Payroll Expenses. In calculating Other Payroll Expenses to be applied to budgeted salaries, Other Payroll Expenses were included with salaries when calculating the percentage. This caused the percentage to be lower than it should have been. This has been offset by salaries savings for vacant positions.