



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2000
Fax: (501) 683-1878
<http://myarkansaslottery.com>

May 10, 2017

The Honorable Asa Hutchinson
Governor of Arkansas
State Capitol
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Governor Hutchinson:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of April 2017, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

1. Contracts Awarded
2. Debt Set-Off Collections
3. Retailer Losses
4. Breakdown of Lottery Sales per County
5. Total Number of Retailers
6. Total Lottery Revenue
7. Prize Disbursements
8. Operating Expenses
9. Net Assets
10. Administrative Expenses
11. Unclaimed Prize Report
12. DFA Office of the Arkansas Lottery Minority- and Female-owned Business Report
13. DFA Office of the Arkansas Lottery Vendor Minority- and Female-owned Business Report
14. DFA Office of the Arkansas Lottery Demographics
15. Internal Auditor Report
16. Instant Ticket Games Released

Please call me if you have any questions or need additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bishop Woosley".

Bishop Woosley
Director

Enclosures

cc: Mr. Larry Walther, Director, Arkansas Department of Finance and Administration



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**Department of Finance
and Administration**

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May 10, 2017

Ms. Rebeca Haley
Legislative Analyst
Arkansas Legislative Council Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Ms. Haley:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of April 2017, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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Bishop Woosley
Director

Enclosures

cc: Mr. Larry Walther, Director, Arkansas Department of Finance and Administration

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Term Contracts for Goods and Services
April 1 through April 30, 2017

On March 29, 2017, the Department of Finance and Administration Office of the Arkansas Lottery and Scientific Games International (SGI) entered into a Non-Exclusive Licensing Agreement. The Non-Exclusive Licensing Agreement grants to OAL the non-exclusive right in the state of Arkansas to reproduce, use, and make copies of the Property in association with the sale, marketing, advertising, and promotion of a scratch-off instant win lottery game to be conducted by the OAL and identified as AR-402 Willy Wonka™ Golden Ticket (the “Game”). Notice of Execution of the Licensing Agreement was provided to the Arkansas Legislative Council Lottery Oversight Subcommittee on April 28, 2017. The following information is provided:

- a. Date of Agreement: March 29, 2017.
- b. Term of Agreement: The term of this agreement shall commence on the date the Working Papers for the Game are signed and shall expire on the last day for claiming Game prizes as established by the OAL.
- c. Vendor or other parties to the Agreement: Scientific Games International.
- d. Value (cost or cost savings projected for the agreement): The base instant game contract price is 1.30% of net sales. There is a price of \$1.89 per 1000 tickets for FailSafe Barcode Services and a price of 1.35% of the prize fund for Points for Prizes Rewards/Merchandise Prizes and Fulfillment. The preceding costs are standard for OAL instant games. There is a 4-Color Process Display Printing Fee, for use of color imaging on the back of the ticket that amounts, by contract, to \$2.95 per 1000 tickets, and there is an additional cost for the setup of this color imaging on the back of the ticket that amounts to \$3,800.00. Additionally, SGI shall invoice the OAL in the amount of one hundred eighty thousand dollars (\$180,000) for the Linked Game Fee. For the Linked Prize Fee, SGI shall also invoice the OAL monthly at 1.1625% of Net Ticket Sales during the period covered by the invoice.

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Debt Set-Off and Retailer Losses
April 2017**

1. Debt Set-Off:

a.	Arkansas Department of Finance and Administration	\$10,032.35
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$0.00</u>
	Total Debt Set-Off:	\$10,032.35

2. Retailer losses for period April 1 through April 30, 2017: None.

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY**

April 1 through April 30, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$9,000.00	\$6,203.50	\$14,684.00	\$518,862.00	\$2,026.00	\$10,255.00	\$7,366.00	\$21,736.00	\$590,132.50
ASHLEY	\$10,211.00	\$12,319.00	\$3,770.00	\$124,782.00	\$1,578.00	\$4,388.00	\$1,774.00	\$10,219.00	\$169,041.00
BAXTER	\$2,260.00	\$1,863.50	\$8,155.00	\$327,926.00	\$6,162.00	\$10,998.00	\$10,041.00	\$24,652.00	\$392,057.50
BENTON	\$5,560.50	\$2,775.00	\$31,844.00	\$1,047,907.00	\$11,968.00	\$44,415.00	\$24,897.00	\$105,333.00	\$1,274,699.50
BOONE	\$1,938.00	\$2,468.50	\$11,934.00	\$434,613.00	\$2,116.00	\$8,980.00	\$6,600.00	\$19,548.00	\$488,197.50
BRADLEY	\$1,480.50	\$2,427.00	\$1,667.00	\$112,200.00	\$538.00	\$1,657.00	\$1,466.00	\$5,762.00	\$127,197.50
CALHOUN	\$3,916.50	\$829.00	\$1,066.00	\$51,465.00	\$362.00	\$938.00	\$799.00	\$1,770.00	\$61,145.50
CARROLL	\$305.00	\$641.00	\$7,186.00	\$254,651.00	\$1,712.00	\$6,022.00	\$2,598.00	\$13,114.00	\$286,229.00
CHICOT	\$8,065.50	\$6,180.00	\$3,064.00	\$162,591.00	\$4,708.00	\$15,534.00	\$6,345.00	\$37,532.00	\$244,019.50
CLARK	\$3,664.50	\$1,510.50	\$16,936.00	\$314,284.00	\$1,610.00	\$5,466.00	\$4,687.00	\$13,506.00	\$361,664.00
CLAY	\$236.00	\$43.00	\$688.00	\$89,120.00	\$528.00	\$1,458.00	\$1,480.00	\$3,720.00	\$97,273.00
CLEBURNE	\$1,102.50	\$338.00	\$30,304.00	\$294,162.00	\$2,908.00	\$8,357.00	\$9,423.00	\$18,055.00	\$364,649.50
CLEVELAND	\$349.00	\$543.00	\$789.00	\$61,191.00	\$128.00	\$933.00	\$1,247.00	\$2,247.00	\$67,427.00
COLUMBIA	\$15,315.50	\$8,023.50	\$14,010.00	\$339,168.00	\$1,822.00	\$5,397.00	\$3,038.00	\$10,700.00	\$397,474.00
CONWAY	\$4,475.00	\$1,797.50	\$10,538.00	\$461,806.00	\$2,104.00	\$8,281.00	\$7,109.00	\$17,171.00	\$513,281.50
CRAIGHEAD	\$8,118.00	\$4,854.00	\$24,655.00	\$1,252,282.00	\$4,992.00	\$21,946.00	\$15,782.00	\$48,499.00	\$1,381,128.00
CRAWFORD	\$1,262.00	\$548.50	\$16,301.00	\$335,654.00	\$3,378.00	\$14,085.00	\$10,851.00	\$29,425.00	\$411,504.50
CRITTENDEN	\$19,534.50	\$11,775.50	\$6,043.00	\$569,367.00	\$5,076.00	\$20,092.00	\$10,333.00	\$49,275.00	\$691,496.00
CROSS	\$2,891.50	\$1,917.00	\$14,466.00	\$254,400.00	\$778.00	\$3,785.00	\$3,040.00	\$8,443.00	\$289,720.50
DALLAS	\$866.00	\$450.00	\$4,031.00	\$134,525.00	\$430.00	\$2,062.00	\$2,234.00	\$5,040.00	\$149,638.00
DESHA	\$2,439.50	\$1,706.00	\$1,926.00	\$192,172.00	\$1,002.00	\$5,175.00	\$3,811.00	\$11,190.00	\$219,421.50
DREW	\$1,867.50	\$1,255.00	\$5,928.00	\$199,087.00	\$1,868.00	\$5,142.00	\$3,659.00	\$12,495.00	\$231,301.50
FAULKNER	\$9,616.50	\$5,036.00	\$46,117.00	\$1,141,608.00	\$8,672.00	\$30,218.00	\$29,325.00	\$68,596.00	\$1,339,188.50
FRANKLIN	\$388.50	\$332.00	\$8,608.00	\$168,069.00	\$1,046.00	\$4,331.00	\$3,232.00	\$10,145.00	\$196,151.50
FULTON	\$258.00	\$146.00	\$1,917.00	\$46,968.00	\$470.00	\$1,180.00	\$828.00	\$2,788.00	\$54,555.00
GARLAND	\$9,314.00	\$4,338.50	\$41,376.00	\$908,186.00	\$10,770.00	\$35,126.00	\$38,135.00	\$76,510.00	\$1,123,755.50
GRANT	\$748.00	\$365.50	\$3,980.00	\$134,961.00	\$1,594.00	\$3,310.00	\$3,388.00	\$7,548.00	\$155,894.50
GREENE	\$919.50	\$650.00	\$10,606.00	\$561,920.00	\$3,262.00	\$10,389.00	\$8,359.00	\$24,413.00	\$620,518.50
HEMPSTEAD	\$32,401.00	\$12,608.50	\$5,938.00	\$350,119.00	\$1,150.00	\$4,944.00	\$2,980.00	\$9,675.00	\$419,815.50
HOT SPRING	\$1,133.50	\$543.50	\$10,765.00	\$325,030.00	\$2,116.00	\$8,482.00	\$6,877.00	\$15,416.00	\$370,363.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY**

April 1 through April 30, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$17,892.00	\$7,191.00	\$4,937.00	\$230,114.00	\$1,274.00	\$3,770.00	\$2,867.00	\$7,496.00	\$275,541.00
INDEPENDENCE	\$4,441.00	\$873.50	\$31,245.00	\$509,934.00	\$2,010.00	\$9,150.00	\$8,592.00	\$21,216.00	\$587,461.50
IZARD	\$379.50	\$48.50	\$8,455.00	\$114,111.00	\$576.00	\$2,811.00	\$2,824.00	\$5,655.00	\$134,860.00
JACKSON	\$12,909.50	\$7,697.50	\$7,609.00	\$300,387.00	\$1,648.00	\$5,156.00	\$4,786.00	\$11,244.00	\$351,437.00
JEFFERSON	\$42,968.00	\$31,978.00	\$36,897.00	\$1,655,051.00	\$8,144.00	\$28,645.00	\$27,073.00	\$55,937.00	\$1,886,693.00
JOHNSON	\$504.00	\$272.50	\$4,047.00	\$252,031.00	\$1,296.00	\$5,730.00	\$4,663.00	\$12,148.00	\$280,691.50
LAFAYETTE	\$6,074.00	\$1,838.00	\$1,459.00	\$74,100.00	\$904.00	\$1,333.00	\$544.00	\$2,514.00	\$88,766.00
LAWRENCE	\$907.50	\$311.50	\$5,485.00	\$225,784.00	\$904.00	\$3,168.00	\$2,188.00	\$7,322.00	\$246,070.00
LEE	\$2,521.50	\$3,408.00	\$917.00	\$77,187.00	\$264.00	\$1,354.00	\$509.00	\$2,998.00	\$89,158.50
LINCOLN	\$188.00	\$339.00	\$4,547.00	\$113,128.00	\$686.00	\$2,276.00	\$2,172.00	\$4,618.00	\$127,954.00
LITTLE RIVER	\$4,056.00	\$3,626.50	\$3,420.00	\$102,526.00	\$468.00	\$2,452.00	\$1,079.00	\$4,106.00	\$121,733.50
LOGAN	\$1,123.00	\$299.50	\$7,655.00	\$201,246.00	\$1,184.00	\$5,290.00	\$3,971.00	\$10,892.00	\$231,660.50
LONOKE	\$9,857.50	\$5,682.00	\$29,016.00	\$950,048.00	\$6,788.00	\$22,682.00	\$19,163.00	\$49,344.00	\$1,092,580.50
MADISON	\$207.50	\$10.50	\$1,139.00	\$68,452.00	\$652.00	\$2,843.00	\$1,525.00	\$5,653.00	\$80,482.00
MARION	\$2,330.50	\$714.00	\$5,012.00	\$164,961.00	\$2,012.00	\$3,981.00	\$4,053.00	\$8,791.00	\$191,854.50
MILLER	\$20,282.50	\$10,296.50	\$13,624.00	\$498,253.00	\$2,730.00	\$9,089.00	\$4,890.00	\$17,789.00	\$576,954.00
MISSISSIPPI	\$37,830.50	\$18,451.00	\$6,251.00	\$468,135.00	\$1,774.00	\$7,943.00	\$4,881.00	\$19,127.00	\$564,392.50
MONROE	\$2,239.00	\$1,178.50	\$1,851.00	\$147,972.00	\$568.00	\$3,032.00	\$2,277.00	\$7,600.00	\$166,717.50
MONTGOMERY	\$15.00	\$0.00	\$1,281.00	\$25,281.00	\$552.00	\$1,476.00	\$1,224.00	\$3,081.00	\$32,910.00
NEVADA	\$1,614.00	\$2,099.00	\$1,492.00	\$157,500.00	\$888.00	\$2,279.00	\$1,497.00	\$4,451.00	\$171,820.00
NEWTON	\$24.00	\$21.00	\$5,967.00	\$46,312.00	\$262.00	\$1,198.00	\$851.00	\$1,847.00	\$56,482.00
OUACHITA	\$9,509.50	\$5,146.00	\$16,357.00	\$552,656.00	\$1,622.00	\$6,111.00	\$5,178.00	\$13,391.00	\$609,970.50
PERRY	\$530.00	\$572.00	\$1,078.00	\$85,818.00	\$368.00	\$2,563.00	\$1,578.00	\$4,929.00	\$97,436.00
PHILLIPS	\$9,069.00	\$4,680.00	\$935.00	\$203,219.00	\$2,280.00	\$11,995.00	\$3,357.00	\$23,642.00	\$259,177.00
PIKE	\$1,199.00	\$99.50	\$13,388.00	\$104,113.00	\$622.00	\$2,773.00	\$2,877.00	\$5,878.00	\$130,949.50
POINSETT	\$5,416.50	\$1,262.00	\$9,494.00	\$402,634.00	\$1,032.00	\$6,453.00	\$5,151.00	\$14,136.00	\$445,578.50
POLK	\$711.00	\$35.00	\$6,368.00	\$106,611.00	\$1,408.00	\$4,932.00	\$3,054.00	\$11,243.00	\$134,362.00
POPE	\$3,576.50	\$1,532.50	\$17,720.00	\$763,995.00	\$4,520.00	\$19,168.00	\$15,690.00	\$42,649.00	\$868,851.00
PRAIRIE	\$1,798.50	\$904.00	\$6,953.00	\$184,163.00	\$684.00	\$2,389.00	\$1,854.00	\$5,739.00	\$204,484.50
PULASKI	\$104,069.00	\$100,885.00	\$209,507.00	\$6,322,054.00	\$49,714.00	\$147,717.00	\$140,683.00	\$309,233.00	\$7,383,862.00
RANDOLPH	\$53.00	\$297.50	\$4,488.00	\$193,782.00	\$1,482.00	\$4,554.00	\$2,249.00	\$6,915.00	\$213,820.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY**

April 1 through April 30, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$11,115.50	\$9,946.00	\$3,818.00	\$296,656.00	\$1,914.00	\$6,328.00	\$4,144.00	\$14,727.00	\$348,648.50
SALINE	\$9,320.00	\$5,766.00	\$43,941.00	\$1,164,294.00	\$9,806.00	\$32,128.00	\$30,375.00	\$69,235.00	\$1,364,865.00
SCOTT	\$179.50	\$38.00	\$1,376.00	\$79,649.00	\$802.00	\$2,338.00	\$1,620.00	\$5,816.00	\$91,818.50
SEARCY	\$86.50	\$274.00	\$1,422.00	\$96,250.00	\$674.00	\$1,715.00	\$2,046.00	\$3,904.00	\$106,371.50
SEBASTIAN	\$19,985.00	\$5,903.00	\$12,451.00	\$731,109.00	\$9,896.00	\$36,974.00	\$26,025.00	\$78,286.00	\$920,629.00
SEVIER	\$1,369.50	\$708.00	\$1,037.00	\$111,747.00	\$1,118.00	\$3,396.00	\$1,438.00	\$6,678.00	\$127,491.50
SHARP	\$993.00	\$430.50	\$11,945.00	\$222,496.00	\$1,334.00	\$5,131.00	\$4,457.00	\$11,164.00	\$257,950.50
STONE	\$1,306.50	\$346.50	\$5,056.00	\$91,920.00	\$942.00	\$2,915.00	\$3,242.00	\$5,757.00	\$111,485.00
UNION	\$54,639.50	\$24,339.00	\$17,586.00	\$836,228.00	\$4,476.00	\$12,040.00	\$8,243.00	\$27,316.00	\$984,867.50
VAN BUREN	\$861.00	\$838.50	\$10,049.00	\$158,067.00	\$1,274.00	\$4,250.00	\$3,793.00	\$9,829.00	\$188,961.50
WASHINGTON	\$13,842.50	\$7,129.00	\$29,209.00	\$1,342,638.00	\$13,086.00	\$48,452.00	\$32,015.00	\$102,768.00	\$1,589,139.50
WHITE	\$6,688.00	\$4,779.50	\$62,926.00	\$1,089,907.00	\$4,964.00	\$20,431.00	\$20,005.00	\$40,892.00	\$1,250,592.50
WOODRUFF	\$3,192.00	\$1,314.50	\$1,379.00	\$99,348.00	\$354.00	\$1,597.00	\$1,592.00	\$3,996.00	\$112,772.50
YELL	\$1,733.00	\$102.00	\$27,946.00	\$289,620.00	\$992.00	\$4,974.00	\$4,141.00	\$10,496.00	\$340,004.00

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$589,245.50	\$368,152.00	\$1,058,027.00	\$33,080,563.00	\$237,822.00	\$820,328.00	\$658,140.00	\$1,776,971.00	\$38,589,248.50

*Estimates

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Total Number of Active Retailers
April 2017**

There were 1,927 active retailers as of April 30, 2017.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
April 30, 2017

ASSETS

Current assets:	
Cash and cash equivalents	\$ 3,493,377.02
Restricted assets:	
Cash and cash equivalents	31,804,610.34
Accounts receivable	11,598,550.68
Prepaid items	23,980.04
Total current assets	<u>46,920,518.08</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,155,920.86
Deposits with Multi-State Lottery Association	1,935,372.71
Capital assets (Net of accumulated depreciation)	400,741.20
Total non-current assets	<u>22,492,034.77</u>
 Total assets	 69,412,552.85
Deferred outflows of resources:	
Related to pension	<u>1,130,744.92</u>
 Total assets and deferred outflows of resources	 <u>\$ 70,543,297.77</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 26,003.40
Prizes payable	17,299,114.94
Accrued and other liabilities	2,111,925.67
Due to other funds of the State	560,323.92
Payable to ADHE for Education Trust Account	25,253,105.40
Compensated absences	328,049.49
Unearned revenue	253,739.99
Total current liabilities	<u>45,832,262.81</u>
Long-Term liabilities:	
Net other post employment benefits	2,364,951.19
Net pension liability	4,144,582.00
Total long-term liabilities	<u>6,509,533.19</u>
 Total liabilities	 52,341,796.00
Deferred inflows of resources:	
Related to pension	<u>665,543.75</u>
 Total liabilities and deferred inflows of resources	 <u>53,007,339.75</u>

NET POSITION

Net position:	
Invested in capital assets	400,741.20
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	155,920.86
Retailer bond reserve	352,412.55
Deposits with Multi-State Lottery Association	1,935,372.71
Unclaimed prizes reserve	6,551,504.94
Unrestricted (deficit)	<u>(11,859,994.24)</u>
 Total net position	 <u>17,535,958.02</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 70,543,297.77</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses and Change in Net Position
For the Ten Months Ended April 30, 2017

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 33,062,490.00	\$ 305,240,880.00
Online ticket sales	5,552,196.00	67,305,933.00
Retailer application, fidelity, bond and service fees	56,740.14	664,004.53
Other revenue	<u>191.00</u>	<u>3,427.02</u>
 Total operating revenues	 <u>38,671,617.14</u>	 <u>373,214,244.55</u>
 Operating expenses:		
Instant game prizes	24,068,290.36	218,122,582.89
Online game prizes	3,199,930.16	35,965,037.59
Retailer commissions	2,224,702.19	21,032,341.48
Gaming contract costs	1,603,441.08	15,904,300.47
Compensation and benefits	406,680.46	4,234,224.40
Marketing, advertising and promotions	224,093.46	4,882,866.12
General and administrative expenses	269,937.38	3,083,547.82
Services provided by Arkansas Department of Higher Education	36,666.00	366,660.00
Audit services provided by Arkansas Legislative Audit	12,000.00	120,000.00
Legal and professional services	50.00	1,474.21
Depreciation	<u>8,226.46</u>	<u>80,463.46</u>
 Total operating expenses	 <u>32,054,017.55</u>	 <u>303,793,498.44</u>
 Operating income (1)	 6,617,599.59	 69,420,746.11
 Non-operating revenue:		
Interest income	<u>50,550.71</u>	<u>357,883.46</u>
 Income before transfers	 6,668,150.30	 69,778,629.57
 Transfers to:		
Education Trust Account (2)	<u>(7,845,827.56)</u>	<u>(65,014,908.08)</u>
 Change in net position	 <u>\$ (1,177,677.26)</u>	 4,763,721.49
 Total net position - beginning		 12,772,236.53
Total net position - ending		<u>\$ 17,535,958.02</u>

1) Includes all GAAP related accounting items including unclaimed prizes.

2) Reflects adjustment of sales and prizes expense to a modified cash basis and does not include unclaimed prizes.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues and Expenses Budget Comparisons
For the Ten Months Ended April 30, 2017

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 33,062,490.00	85.50	\$ 33,000,000.00	82.64	\$ 62,490.00	\$ 305,240,880.00	81.79	\$ 320,310,000.00	82.83	\$ (15,069,120.00)
Online games	5,552,196.00	14.36	6,873,000.00	17.21	(1,320,804.00)	67,305,933.00	18.03	65,729,000.00	17.00	1,576,933.00
Retailer fees	56,740.14	0.15	59,000.00	0.15	(2,259.86)	664,004.53	0.18	670,000.00	0.17	(5,995.47)
Other revenue	<u>191.00</u>	0.00	<u>1,000.00</u>	0.00	<u>(809.00)</u>	<u>3,427.02</u>	0.00	<u>10,000.00</u>	0.00	<u>(6,572.98)</u>
Total operating revenues	<u>38,671,617.14</u>	100.00	<u>39,933,000.00</u>	100.00	<u>(1,261,382.86)</u>	<u>373,214,244.55</u>	100.00	<u>386,719,000.00</u>	100.00	<u>(13,504,755.45)</u>
Operating expenses:										
Instant game prizes	24,068,290.36	62.24	23,697,293.00	59.34	370,997.36	218,122,582.89	58.44	229,891,899.00	59.45	(11,769,316.11)
Online game prizes	3,199,930.16	8.27	3,717,907.00	9.31	(517,976.84)	35,965,037.59	9.64	35,294,201.00	9.13	670,836.59
Retailer commissions	2,224,702.19	5.75	2,275,400.00	5.70	(50,697.81)	21,032,341.48	5.64	22,030,000.00	5.70	(997,658.52)
Gaming contract costs	1,603,441.08	4.15	1,893,700.00	4.74	(290,258.92)	15,904,300.47	4.26	18,380,800.00	4.75	(2,476,499.53)
Compensation & benefits	406,680.46	1.05	398,500.00	1.00	8,180.46	4,234,224.40	1.13	4,303,500.00	1.11	(69,275.60)
Marketing, advertising & promotions	224,093.46	0.58	356,300.00	0.89	(132,206.54)	4,882,866.12	1.31	4,804,500.00	1.24	78,366.12
General and administrative expenses	269,937.38	0.70	375,600.00	0.94	(105,662.62)	3,083,547.82	0.83	3,686,200.00	0.95	(602,652.18)
Services provided by other agencies	48,666.00	0.13	35,000.00	0.09	13,666.00	486,660.00	0.13	480,000.00	0.12	6,660.00
Legal and professional service	50.00	0.00	1,600.00	0.00	(1,550.00)	1,474.21	0.00	16,600.00	0.00	(15,125.79)
Depreciation	<u>8,226.46</u>	0.02	<u>11,100.00</u>	0.03	<u>(2,873.54)</u>	<u>80,463.46</u>	0.02	<u>96,800.00</u>	0.03	<u>(16,336.54)</u>
Total operating expenses	<u>32,054,017.55</u>	82.89	<u>32,762,400.00</u>	82.04	<u>(708,382.45)</u>	<u>303,793,498.44</u>	81.40	<u>318,984,500.00</u>	82.48	<u>(15,191,001.56)</u>
Operating income	6,617,599.59	17.11	7,170,600.00	17.96	(553,000.41)	69,420,746.11	18.60	67,734,500.00	17.52	1,686,246.11
Non-operating revenue:										
Interest income	<u>50,550.71</u>	0.13	<u>8,700.00</u>	0.02	<u>41,850.71</u>	<u>357,883.46</u>	0.10	<u>95,700.00</u>	0.02	<u>262,183.46</u>
Income before transfers	<u>\$ 6,668,150.30</u>	17.24	<u>\$ 7,179,300.00</u>	17.98	<u>\$ (511,149.70)</u>	<u>\$ 69,778,629.57</u>	18.70	<u>\$ 67,830,200.00</u>	17.54	<u>\$ 1,948,429.57</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For the Ten Months Ended April 30, 2017

	Year to date
Operating revenues:	
Instant ticket SETTLEMENTS	\$ 305,730,773.00
Online ticket sales	67,305,933.00
Retailer application, fidelity and service fees	664,004.53
Other revenue	<u>3,427.02</u>
 Total operating revenues	 <u>373,704,137.55</u>

Operating expenses:	
Instant game prizes SETTLEMENTS	217,888,790.00
Online game prizes	35,965,037.59
Retailer commissions	21,032,341.48
Gaming contract costs	15,904,300.47
Compensation and benefits	4,234,224.40
Marketing, advertising and promotions	4,882,866.12
General and administrative expenses	3,083,547.82
Services provided by ADHE	366,660.00
Services provided by Legislative Audit Agency	120,000.00
Legal and professional services	1,474.21
Current year Capital Asset cost	<u>104,787.40</u>
Total operating expenses	303,584,029.49

Change in net proceeds from operations 70,120,108.06

Nonoperating revenue (expense):	
Interest Income	357,883.46
Other Non-Operating Income	0.00
EDUCATION TRUST FUNDING-Current Year	(57,169,080.52)
Less Act 1180 Unclaimed Prizes	(5,551,504.94)
Less Current year Fidelity Reserve Fees	(19,020.68) restricted reserves
Less Current year Bond Reserve Fees	(188,540.00) restricted reserves
Less Current year MUSL Reserves (additions) / reductions	(87,761.82) see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>383,744.00</u>

NET PROCEEDS EARNED-Current Month **\$ 7,845,827.56**

	Transfer	Interest	Total
Totals	\$ 24,164,398.62	\$ 1,088,706.78	\$ 25,253,105.40
July 2016 funding - 8/15/16	\$ 8,702,788.19	\$ 11,598.20	\$ 8,714,386.39
August 2016 funding - 9/15/16	\$ 5,480,243.59	\$ 18,471.27	\$ 5,498,714.86
Transfer to ADHE 9/9/16	\$ (36,000,000.00)		\$ (36,000,000.00)
September 2016 funding - 10/15/16	\$ 5,765,568.30	\$ 7,508.12	\$ 5,773,076.42
ADHE Refund for excess scholarship funding for FY 2016	\$ 542,198.00		\$ 542,198.00
Transfer from ADHE (final 2016 Adj) -10/28/16	\$ (109,184.50)		\$ (109,184.50)
October 2016 funding - 11/15/16	\$ 5,158,748.07	\$ 6,292.47	\$ 5,165,040.54
November 2016 funding - 12/15/16	\$ 6,562,384.25	\$ 8,595.26	\$ 6,570,979.51
December 2016 funding - 1/15/17	\$ 4,576,676.57	\$ 19,855.65	\$ 4,596,532.22
January 2017 funding - 2/15/17	\$ 7,922,573.49	\$ 24,972.72	\$ 7,947,546.21
Transfer to ADHE 2/10/16	\$ (35,000,000.00)		\$ (35,000,000.00)
February 2017 funding - 3/15/17	\$ 6,688,267.91	\$ 9,831.71	\$ 6,698,099.62
March 2017 funding - 4/15/17	\$ 6,195,046.44	\$ 9,658.31	\$ 6,204,704.75
April 2017 funding - 5/15/17	\$ 7,831,636.38	14,191.18	7,845,827.56

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
April 30, 2017

	Monthly	Year to Date
Reserve Balance July 1, 2016		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 67,802.71	5,551,504.94
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	\$ 67,802.71	5,551,504.94
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance April 30, 2017		\$6,551,504.94

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
April 1 through April 30, 2017**

Vendors	Goods or Services	Diversity Classification	April 2017	FY 2017 Total
A-Absolute Moving & Hauling	Moving/Hauling	CMBE		\$1,073.35
Allegra Print & Imaging	Advertising/Public Relations	FOB		\$11,511.39
BSW Advertising	Advertising/Public Relations	FOB		\$36,561.33
Goddess Products	Office Furniture/Supplies	CMBE	\$578.81	\$17,189.42
Government Supply Services	Office Products	MBE		\$1,240.71
Party Prints	Advertising/Public Relations	CMBE		\$32,492.90
Trivia Marketing	Advertising/Public Relations	WBE		\$681.25
Totals			\$578.81	\$100,750.35

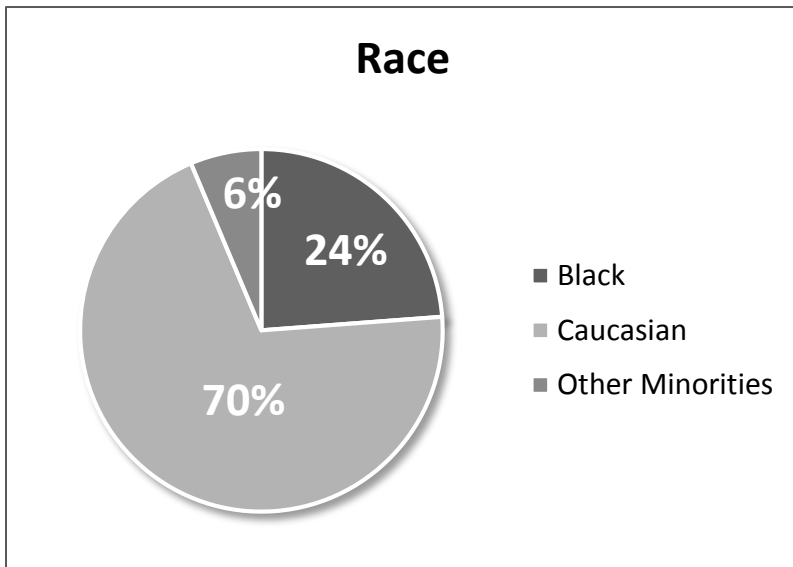
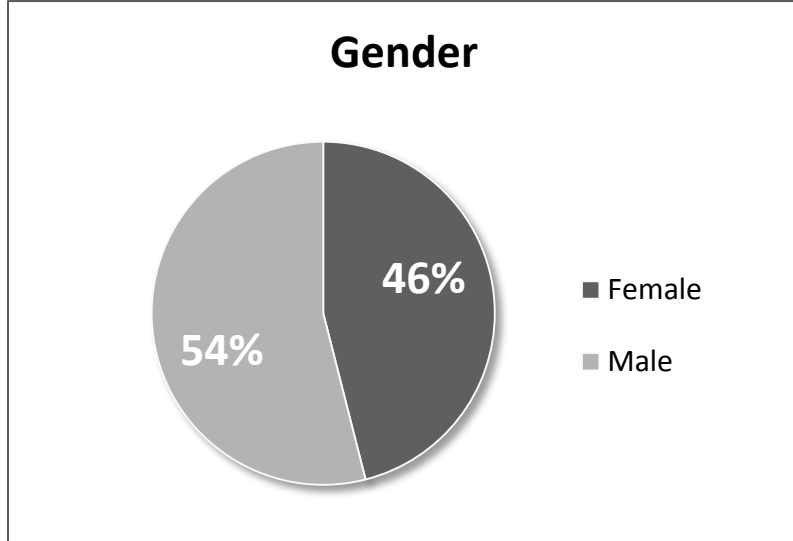
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
April 1 through April 30, 2017**

Vendors	Goods or Services	Diversity Classification	April 2017	FY 2017 Total
J Kelly Referrals and Information Services	Call Center/Information Services	CMBE	\$8,462.00	\$93,082.00
Totals			\$8,462.00	\$93,082.00

**SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
April 1 through April 30, 2017**

Vendors	Goods or Services	Diversity Classification	April 2017	FY 2017 Total
Central Copiers	Office Products	FOB		\$111.18
Expedited Transportation Services	Transportation Services	FOB		\$21,531.43
Ingage, LLC	Fulfillment Services and Prizes	FOB	\$32,887.13	\$241,374.74
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	MBE	\$396.00	\$3,960.00
Premier Staffing	Employment Agency	MBE	\$2,055.46	\$4,063.29
Totals			\$335,338.59	\$271,040.64

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Demographics – April 2017**



Total Number of Employees as of April 30, 2017: 63

Gender:

Females – 29
Males – 34

Race:

Black – 15
Caucasian – 44
Other – 4

Female -- 8	Male -- 7
Female -- 20	Male -- 24
Female -- 1	Male -- 3

**Department of Finance and Administration
Office of the Arkansas Lottery – Internal Audit
Arkansas Legislative Council – Lottery Oversight Subcommittee Monthly Report**

No issues or problems resulting from internal audits have been reported for the reporting period.

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
April 2017

Sales for the following instant games began April 4, 2017. No ending dates have been determined for these games.

\$1 Double Frenzy

\$2 Triple Win

\$3 Match for Cash

\$5 Money Mania Extra Play

\$10 \$10 Million Cash Spectacular

Sales for the following Fast Play games began April 3, 2017. No ending dates have been determined for these games.

\$1 Fish Finder

\$1 Hot Cash