

# State of Maine



Department of Administrative and Financial Services

Bureau of Alcoholic Beverages and Lottery Operations

Financial Statements  
Fiscal Year Ending June 30, 2023



JANET T. MILLS  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES  
**DIVISION OF FINANCIAL AND PERSONNEL SERVICES**  
74 STATE HOUSE STATION, AUGUSTA, MAINE 04333

KIRSTEN LC FIGUEROA  
COMMISSIONER

February 22, 2023

The Honorable Louis Luchini, Director  
8 State House Station  
Augusta, Maine 04333-0008

Dear Mr. Luchini:

Submitted herein is the annual report for the Bureau of Alcoholic Beverages and Lottery Operations for the fiscal year ended June 30, 2023. This report presents the financial position of lottery and spirits operations.

If you have any suggestions or comments about these schedules, please contact us at your earliest convenience. Please advise if there are other schedules you wish included in the next annual report.

Sincerely,

Laurie A. Andre  
Director,  
General Government Service Center



The Bureau is proud of its commitment to providing the citizens of Maine with fun and exciting entertainment through the responsible sale of lottery games.

The Bureau is committed to generating important revenue for the citizens of Maine in a fiscally and socially responsible manner. We are proud to take a leadership role in promoting responsible gaming in Maine and across the nation. In addition to promoting responsible play on lottery games, sales materials and our website, the Bureau partners with the Maine CDC, Maine's Gambling Control Board, the National Council on Problem Gambling, and the North American Association of State and Provincial Lotteries' Responsible Gambling Committee to promote responsible gaming and provide resources to those in need.

Fiscally responsible since 1974, the Maine Lottery has generated more than \$7.6 billion in sales revenues, \$4.8 billion in prize money and \$530 million in commissions and bonuses to our network of lottery retail agents. Over \$1.759 billion has been transferred to the State's General Fund to support programs and services across Maine. In FY23, for the ninth consecutive year, the Maine Lottery achieved a record transfer to the General Fund totaling more than \$72 million. Additionally, the Maine Lottery achieved the highest-ever total sales, instant sales, commissions to lottery retail agents and prize money to winners. In FY23, the Lottery transferred more than \$1.1 million to the Maine Outdoor Heritage Fund, an increase of 49 percent over the prior year. Since the Fund's inception in 1996, the Lottery has transferred more than \$24 million to support critical wildlife and conservation projects throughout Maine.

The Bureau is pleased that the Maine Lottery business has a positive impact for our citizens and supports our local economy in a responsible manner.

[mainelottery.com](http://mainelottery.com)



Maine Spirits is a partnership between the Bureau and its vendor, Pine State Spirits, a subsidiary of Pine State Trading Co. created as a result of a competitive bidding process in FY14. Prior to this new contractual fee for services partnership, Maine created a 10-year lease arrangement with Maine Beverage Company. During the 10-year lease arrangement, the State realized approximately \$189 million in profit for the General Fund. This amount included \$125 million in up-front money paid in FY03 and FY04 and profit sharing when the spirits business generated profits over a guaranteed amount to Maine Beverage Company.

For the eighth consecutive year in FY23, Maine's spirits business achieved record sales of more than \$257 million, a 4.1% growth rate, which delivered an operating profit of \$66.7 million. Operating profit grew 7.4 percent compared to FY22, while spirits case sales remained level with FY22.

The Bureau through its partnerships with suppliers, suppliers' representatives and our network of agency liquor stores continues to responsibly grow the business. Maine consumers receive more value in their spirits purchases than ever before due to the Bureau's progressive pricing model.

In addition to its fiscal obligation, the Bureau has a social commitment to the citizens of Maine to promote the sale of spirits in a responsible manner.

The Bureau in partnership with Pine State Spirits continued to create unique social responsibility messaging programs using Maine Spirits' social media platforms.

The Bureau is confident that the Maine spirits business has a positive impact and supports our local economy in an orderly and responsible path to market while satisfying the Bureau's legislative mandate.

[www.MaineSpirits.com](http://www.MaineSpirits.com)

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**Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Historical Gross Sales as Compared to Total Transfers**

For Fiscal Years 2009 - 2023

<b>Fiscal Year</b>	<b>Liquor Sales</b>	<b>Lottery Sales</b>	<b>Heritage Sales</b>	<b>Total Sales</b>
2023	\$ 254,943,135	\$ 405,184,531	\$ 5,091,345	\$ 665,219,011
2022	\$ 246,966,767	\$ 382,203,485	\$ 3,593,028	\$ 632,763,280
2021	\$ 236,999,257	\$ 388,729,054	\$ 2,007,601	\$ 627,735,911
2020	\$ 218,520,081	\$ 311,597,206	\$ 2,514,102	\$ 532,631,389
2019	\$ 201,783,015	\$ 297,598,818	\$ 1,852,878	\$ 501,234,711
2018	\$ 187,115,708	\$ 291,591,666	\$ 2,542,027	\$ 481,249,401
2017	\$ 178,914,574	\$ 264,405,447	\$ 1,542,308	\$ 444,862,329
2016	\$ 165,366,535	\$ 270,047,651	\$ 2,291,833	\$ 437,706,018
2015	\$ 156,136,691	\$ 250,671,431	\$ 2,400,612	\$ 408,585,278
2014	\$ 143,966,700	\$ 227,937,715	\$ 2,021,379	\$ 373,925,794
2013	\$ 138,357,900	\$ 225,640,604	\$ 2,083,042	\$ 366,081,546
2012	\$ 132,497,500	\$ 226,395,960	\$ 1,966,301	\$ 357,899,879
2011	\$ 126,149,900	\$ 214,100,781	\$ 2,325,493	\$ 342,576,174
2010	\$ 122,610,900	\$ 214,746,476	\$ 2,286,077	\$ 339,643,453
2009	\$ 119,050,100	\$ 208,027,407	\$ 2,643,774	\$ 329,721,281

<b>Fiscal Year</b>	<b>Liquor Transfer</b>	<b>Lottery Transfer</b>	<b>Heritage Transfer</b>	<b>Total Transfers</b>
2023	\$ -	\$ 72,084,673	\$ 1,107,570	\$ 73,192,243
2022	\$ -	\$ 71,351,415	\$ 741,928	\$ 72,093,343
2021	\$ -	\$ 70,647,717	\$ 472,336	\$ 71,120,053
2020	\$ -	\$ 64,589,742	\$ 651,148	\$ 65,240,891
2019	\$ -	\$ 62,675,109	\$ 520,809	\$ 63,195,918
2018	\$ -	\$ 62,307,123	\$ 722,863	\$ 63,029,985
2017	\$ 9,817,000 *	\$ 58,219,690	\$ 441,357	\$ 68,478,047
2016	\$ 9,639,000 *	\$ 56,972,851	\$ 603,833	\$ 67,215,684
2015	\$ 9,714,884 *	\$ 54,002,444	\$ 647,458	\$ 64,364,786
2014	\$ 12,298,432 **	\$ 51,845,477	\$ 574,142	\$ 64,718,051
2013	\$ 10,979,738 **	\$ 52,908,602	\$ 593,629	\$ 64,481,969
2012	\$ 10,254,968 **	\$ 53,785,567	\$ 530,622	\$ 64,571,157
2011	\$ 9,405,382 **	\$ 49,547,800	\$ 645,824	\$ 59,599,007
2010	\$ 8,823,077 **	\$ 52,201,531	\$ 669,789	\$ 61,694,397
2009	\$ 8,217,940 **	\$ 49,839,434	\$ 734,120	\$ 58,791,494

\*These amounts represent annual transfers from the MMBB to the General Fund per the Liquor Revenue Bond. The annual transfers ended in FY2017.

\*\*These amounts include listing fees, premium tax and the profit sharing amount received from Maine Beverage Company; and the Liquor Sales, are calculated on a calendar year basis.

Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Lottery Operations  
Enterprise Fund - 067 - State Lottery Fund  
Balance Sheet  
As of June 30,

	2023	% of 2023 Total	2022	% of 2022 Total
<b>Assets</b>				
<b>Current Assets</b>				
Cash	\$ -	N/A	\$ -	N/A
Petty Cash - Imprest Fund	750,200	2.14%	750,400	2.31%
Accounts Receivable	34,391,616	98.21%	31,868,426	98.22%
Reserve for Doubtful Accounts	(4,189)	-0.01%	(55,729)	-0.17%
Due from Other Funds	(118,122)	-0.34%	(118,122)	-0.36%
Suspense Account Miscellaneous	-	N/A	(1)	N/A
<b>Total Current Assets</b>	<b>\$ 35,019,506</b>	<b>100.00%</b>	<b>\$ 32,444,975</b>	<b>100.00%</b>
<b>Fixed Assets</b>				
Equipment	\$ 24,587		\$ 24,587	
Less: Reserve for Depreciation	(24,587)		(24,587)	
<b>Total Fixed Assets</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>Total Assets</b>	<b>\$ 35,019,506</b>	<b>100.00%</b>	<b>\$ 32,444,975</b>	<b>100.00%</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 1,125,633	-131.31%	\$ 2,812,673	42.69%
Accrued Payroll	(1) 102,515	-11.96%	98,151	1.49%
Accrued Subscriptions	34,058	-3.97%	229,268	3.48%
Accrued Vacation Liability	69,400	-8.10%	114,415	1.74%
Due to Other Funds	(2) (2,188,860)	255.33%	3,334,318	50.61%
<b>Total Liabilities</b>	<b>\$ (857,253)</b>	<b>100.00%</b>	<b>\$ 6,588,824</b>	<b>100.00%</b>
<b>Reserves:</b>				
Powerball Prize Reserve	(3) \$ 4,233,718	11.80%	\$ 2,967,679	11.48%
Expired Powerball Prize Reserve	167,541	0.47%	489,891	1.89%
Prize Reserve - Lucky for Life	(4) (97,218)	-0.27%	1,493,282	5.78%
Expired Reserve - Lucky for Life	(5) 127,668	0.36%	182,893	0.71%
Instant Ticket Prize Reserve	(6) 30,714,712	85.61%	20,078,432	77.65%
Vending Machine Voucher Liability	(7) 730,338	2.04%	643,974	2.49%
<b>Total Reserves</b>	<b>\$ 35,876,759</b>	<b>100.00%</b>	<b>\$ 25,856,150</b>	<b>100.00%</b>
<b>Total Liabilities and Reserves</b>	<b>\$ 35,019,506</b>		<b>\$ 32,444,975</b>	

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Comparative Statements of Income and Expense  
 For Fiscal Years ending: June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2022 to FY 2023
<b>SALES</b>					
Instant Tickets					
\$1 Instant	\$ 6,344,628	1.55%	\$ 6,452,572	1.67%	(1.67%)
Heritage Fund	5,091,345	1.24%	3,593,028	0.93%	41.70%
\$2 Instant	16,777,653	4.09%	17,667,712	4.58%	(5.04%)
\$3 Instant	16,914,672	4.12%	16,379,223	4.25%	3.27%
\$5 Instant	78,035,500	19.02%	88,293,845	22.89%	(11.62%)
\$10 Instant	77,605,475	18.92%	69,383,370	17.98%	11.85%
\$20 Instant	28,095,737	6.85%	30,041,160	7.79%	(6.48%)
\$25 Instant	77,898,250	18.99%	79,152,025	20.52%	(1.58%)
\$30 Instant	(8) 11,112,660	2.71%	-	N/A	N/A
<b>Total Instant</b>	<b>\$ 317,875,920</b>	<b>77.48%</b>	<b>\$ 310,962,935</b>	<b>80.60%</b>	<b>2.22%</b>
Draw Games					
Pick 3	\$ 6,149,378	1.50%	\$ 6,357,640	1.65%	(3.28%)
Pick 4	4,976,253	1.21%	5,012,706	1.30%	(0.73%)
Megabucks	7,954,603	1.94%	8,580,499	2.22%	(7.29%)
Powerball	27,583,206	6.72%	22,739,300	5.89%	21.30%
Lucky for Life	6,642,853	1.62%	6,575,644	1.70%	1.02%
Lotto America 2018	2,975,893	0.73%	1,955,785	0.51%	52.16%
Gimme 5	1,271,478	0.31%	1,263,938	0.33%	0.60%
Mega Millions	20,083,801	4.90%	8,922,060	2.31%	125.10%
World Poker Tour	1,142,438	0.28%	1,111,913	0.29%	2.75%
<b>Total Draw</b>	<b>\$ 78,779,902</b>	<b>19.20%</b>	<b>\$ 62,519,485</b>	<b>16.21%</b>	<b>26.01%</b>
Other					
\$1 Fast Play	\$ 377,735	0.09%	\$ 369,578	0.10%	2.21%
\$2 Fast Play	1,216,488	0.30%	1,460,520	0.38%	(16.71%)
\$5 Fast Play	2,527,320	0.62%	2,986,185	0.77%	(15.37%)
\$10 Fast Play	4,748,205	1.16%	4,235,230	1.10%	12.11%
\$20 Fast Play	4,750,306	1.16%	3,262,580	0.85%	45.60%
<b>Total Other</b>	<b>\$ 13,620,054</b>	<b>3.32%</b>	<b>\$ 12,314,093</b>	<b>3.19%</b>	<b>10.61%</b>
<b>Total Ticket Sales</b>	<b>\$ 410,275,876</b>	<b>100.00%</b>	<b>\$ 385,796,513</b>	<b>100.00%</b>	<b>6.35%</b>
<b>OTHER INCOME</b>					
Distribution Expenses paid by IF&W	\$ 127,284	0.03%	\$ 89,826	0.02%	41.70%
Expired Instant Prize Reserve	(9) 2,931,271	0.71%	3,168,075	0.77%	(7.47%)
Expired Instant Prize Reserve - Heritage	(9) 110,329	0.03%	38,038	0.01%	190.05%
Interest Income - Tri State	1,171,472	0.29%	1,262,580	0.31%	(7.22%)
Misc Income	268,933	0.07%	252,869	0.06%	6.35%
<b>Total Other Income</b>	<b>\$ 4,609,289</b>	<b>1.12%</b>	<b>\$ 4,811,388</b>	<b>1.17%</b>	<b>(4.20%)</b>
<b>Total Receipts</b>	<b>\$ 414,885,164</b>		<b>\$ 390,607,901</b>		<b>6.22%</b>



Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Comparative Statements of Income and Expense  
 For Fiscal Years ending: June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2022 to FY 2023
<b>EXPENSES</b>					
Cost of Goods Sold	\$ 325,612,667	79.36%	\$ 301,746,187	78.21%	7.91%
Maine Operating Expenses	4,261,565	1.04%	4,927,438	1.28%	(13.51%)
Tri-State/MUSL Operating Expenses	(10) 2,975,793	0.73%	2,710,369	0.70%	9.79%
Heritage Game Expenses	4,094,104	1.00%	2,889,138	0.75%	41.71%
Contractor Incentive Plan	(11) 1,811,000	0.44%	2,615,000	0.68%	(30.75%)
RewardME Lottery Club	(12) 2,937,792	0.72%	3,627,545	0.94%	(19.01%)
<b>Total Expenses</b>	<b>\$ 341,692,921</b>	<b>83.28%</b>	<b>\$ 318,515,677</b>	<b>82.56%</b>	<b>7.28%</b>
Transfer to General Fund	\$ 72,084,673	17.57%	\$ 71,350,295	18.49%	1.03%
Transfer to Fish & Wildlife	1,107,570	0.27%	741,928	0.19%	49.28%
Profit Due to (from) General Fund	(13) -	0.00%	1,120	0.00%	
<b>Total Transfer</b>	<b>\$ 73,192,243</b>	<b>17.84%</b>	<b>\$ 72,093,343</b>	<b>18.69%</b>	<b>1.52%</b>
<b>Changes from FY 2022 to FY 2023</b>					
Sales		Dollars		Percent	
Instant	\$ 6,912,985			2.22%	
Draw	16,260,418			26.01%	
Fast Play	1,305,961			10.61%	
<b>Total</b>	<b>\$ 24,479,363</b>			<b>6.35%</b>	
Cost of Goods Sold	\$ 22,372,727			7.26%	
Maine Operating Expenses	\$ (665,873)			(13.51%)	

Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Lottery Operations  
Enterprise Fund - 067 - State Lottery Fund  
Heritage Game Income Statement  
For Fiscal Years ending: June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2022 to FY 2023
<b>SALES</b>					
Game 433 - Lobster Loot	-	N/A	(2,568)	-0.07%	N/A
Game 460 - Big Bucks	-	N/A	201,426	5.61%	N/A
Game 474 - Wild Winners (Moose)	-	N/A	2,970,270	82.67%	-100.00%
Game 503 - Wild Winners (Eagle)	(300)	-0.01%	423,900	11.80%	-100.07%
Game 534 - Money Comb	(14,952)	-0.29%	-	N/A	N/A
Game 563 - Ca\$h Lines	4,399,797	86.42%	-	N/A	N/A
Game 595 - PictureME	706,800	13.88%	-	N/A	N/A
<b>Total Sales (14)</b>	<b>\$ 5,091,345</b>	<b>100.00%</b>	<b>\$ 3,593,028</b>	<b>100.00%</b>	<b>41.70%</b>
<b>OTHER INCOME</b>					
Expired Prize Reserve	\$ 110,329		\$ 38,038		190.05%
<b>Total Other Income</b>	<b>\$ 110,329</b>		<b>\$ 38,038</b>		<b>190.05%</b>
<b>Total Income</b>	<b>\$ 5,201,674</b>		<b>\$ 3,631,066</b>		<b>43.25%</b>
<b>EXPENSES</b>					
Game 433 - Lobster Loot	-	N/A	(1,704)	-0.05%	N/A
Game 460 - Big Bucks	-	N/A	133,566	3.72%	N/A
Game 474 - Wild Winners (Moose)	-	N/A	1,971,368	54.87%	N/A
Game 503 - Wild Winners (Eagle)	(199)	0.00%	281,470	7.83%	N/A
Game 534 - Money Comb	(9,924)	-0.19%	-	N/A	N/A
Game 563 - Ca\$h Lines	2,920,983	57.37%	-	N/A	N/A
Game 595 - PictureME	469,386	9.22%	-	N/A	N/A
Vendor Fees	179,266	3.52%	126,511	3.52%	41.70%
Agent Commission	407,308	8.00%	287,442	8.00%	41.70%
Agent Bonus	-	0.00%	660	0.02%	N/A
Distribution Expenses	127,284	2.50%	89,826	2.50%	41.70%
<b>Total Expenses</b>	<b>\$ 4,094,104</b>	<b>80.41%</b>	<b>\$ 2,889,138</b>	<b>80.41%</b>	<b>41.71%</b>
<b>Inland Fish &amp; Wildlife Profit</b>	<b>\$ 1,107,570</b>	<b>21.75%</b>	<b>\$ 741,928</b>	<b>20.65%</b>	<b>49.28%</b>

Agent Commissions (currently 8%) are the difference between the retail-selling price of tickets and the agent's cost.

Agent Bonus reflects the 1% bonus given to agents who sell winning prizes of \$1,000 or more, excluding the Megabucks game.

Vendor Fees are the contractual payments made to Scientific Games for instant ticket games and draw games that utilize computer systems and technology. Fees are 3.521% of sales.

Distribution Expenses are the overhead costs incurred by Lottery for distribution of Heritage Game instant tickets. This includes mail, vending machine rental and personnel costs.

**Department of Administrative and Financial Services**  
**Bureau of Alcoholic Beverages and Lottery Operations**  
**Lottery Operations**  
**Enterprise Fund - 067 - State Lottery Fund**  
**Maine Operating Expense Schedule**  
**For Fiscal Years ending: June 30,**

	FY 2023	FY 2022	% Change FY 2022 to FY 2023
<b>Lottery Administration</b>			
Personal Services	(15) \$ 1,803,200	\$ 2,261,338	(20.26%)
State Services	301,590	349,085	(13.61%)
Non-State Services	3,342	-	N/A
Travel Expenses	1,611	2,128	(24.29%)
Rents	105,989	109,403	(3.12%)
Office Supplies	9,187	21,842	(57.94%)
Misc Administrative Expense	77,236	182,858	(57.76%)
Portion paid by IFW	(68,760)	(53,352)	28.88%
<i>Total Administrative</i>	<b>\$ 2,233,394</b>	<b>\$ 2,873,302</b>	<b>(22.27%)</b>
<b>Lottery Operations</b>			
General Operations	\$ 105,312	\$ 100,389	4.90%
Other Instant Expense	629,340	744,031	(15.41%)
Other Draw Expense	25,606	33,461	(23.47%)
Lucky for Life Operating Expense	1,661	8,970	(81.48%)
Customer Service	30,838	39,904	(22.72%)
Portion paid by IFW	(23,678)	(16,894)	40.15%
<i>Total Operational</i>	<b>\$ 769,080</b>	<b>\$ 909,861</b>	<b>(15.47%)</b>
<b>Advertising Charges</b>			
Ad Agency Fees	\$ 248,276	\$ 274,500	(9.55%)
TV/Radio Production	544,903	411,736	32.34%
TV/Radio Media	207,541	236,245	(12.15%)
Promotional Material	130,692	64,732	101.90%
Advertising Notices	-	2,705	N/A
StaCap	35,240	84,111	(58.10%)
Portion paid by IFW	(34,845)	(19,579)	77.97%
<i>Total Advertising</i>	<b>\$ 1,131,807</b>	<b>\$ 1,054,449</b>	<b>7.34%</b>
Subtotal	\$ 4,134,281.11	\$ 4,837,612	(14.54%)
Plus: IF&W Reimbursement	127,284	89,826	41.70%
<b>Total Maine Operating Expenses</b>	<b>\$ 4,261,565</b>	<b>\$ 4,927,438</b>	<b>(13.51%)</b>
<b>Total Sales Including Heritage</b>	<b>\$ 410,275,654</b>	<b>\$ 385,820,473</b>	<b>6.34%</b>
<b>Total Operating Expense as % of Sales</b>	<b>1.04%</b>	<b>1.28%</b>	

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Cost of Goods Sold Schedule (excluding Heritage)

For Fiscal Years ending: June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2022 to FY 2023
<b>Prize Expense</b>					
\$1 Instant	\$ 3,908,967	61.61%	\$ 3,957,406	61.33%	(1.22%)
\$2 Instant	11,145,991	66.43%	11,649,409	65.94%	(4.32%)
\$3 Instant	11,211,632	66.28%	10,853,397	66.26%	3.30%
\$5 Instant	53,733,464	68.86%	60,757,097	68.81%	(11.56%)
\$10 Instant	65,729,674	84.70%	50,805,815	73.22%	29.37%
\$20 Instant	20,997,606	74.74%	22,459,449	74.76%	(6.51%)
\$25 Instant	58,468,965	75.06%	60,942,986	76.99%	(4.06%)
\$30 Instant	8,717,882	78.45%	-	N/A	N/A
Pick 3	3,060,457	49.77%	3,170,761	49.87%	(3.48%)
Pick 4	2,474,592	49.73%	2,501,519	49.90%	(1.08%)
Megabucks	3,978,508	50.02%	4,315,518	50.29%	(7.81%)
Powerball	13,882,447	50.33%	11,378,710	50.04%	22.00%
Lucky for Life	2,909,939	43.81%	3,797,260	57.75%	(23.37%)
Lotto America 2018	1,507,532	50.66%	978,415	50.03%	54.08%
Gimme 5	760,991	59.85%	664,563	52.58%	14.51%
Mega Millions	10,166,372	50.62%	4,363,150	48.90%	133.01%
World Poker Tour	709,414	62.10%	690,146	62.07%	2.79%
\$1 Fast Play	233,320	61.77%	228,313	61.78%	2.19%
\$2 Fast Play	813,857	66.90%	975,192	66.77%	(16.54%)
\$5 Fast Play	1,756,816	69.51%	2,096,860	70.22%	(16.22%)
\$10 Fast Play	3,514,310	74.01%	3,135,140	74.03%	12.09%
\$20 Fast Play	4,274,687	89.99%	2,675,603	82.01%	59.77%
<b>Total Prize Expense</b>	<b>\$ 283,957,423</b>	<b>70.08%</b>	<b>\$ 262,396,707</b>	<b>68.65%</b>	<b>8.22%</b>
<b>Vendor Fees</b>					
\$1 Instant	\$ 223,394	3.52%	\$ 227,195	3.52%	(1.67%)
\$2 Instant	590,741	3.52%	622,080	3.52%	(5.04%)
\$3 Instant	595,566	3.52%	576,712	3.52%	3.27%
\$5 Instant	2,747,630	3.52%	3,108,826	3.52%	(11.62%)
\$10 Instant	2,732,489	3.52%	2,442,988	3.52%	11.85%
\$20 Instant	989,251	3.52%	1,057,749	3.52%	(6.48%)
\$25 Instant	2,742,797	3.52%	2,786,943	3.52%	(1.58%)
\$30 Instant	391,629	3.52%	-	N/A	N/A
Pick 3	216,539	3.52%	223,877	3.52%	(3.28%)
Pick 4	175,227	3.52%	176,511	3.52%	(0.73%)
Megabucks	280,089	3.52%	302,134	3.52%	(7.30%)
Powerball	971,205	3.52%	800,648	3.52%	21.30%
Lucky for Life	233,895	3.52%	231,528	3.52%	1.02%
Lotto America 2018	104,781	3.52%	68,863	3.52%	52.16%
Gimme 5	44,769	3.52%	44,507	3.52%	0.59%
Mega Millions	707,151	3.52%	314,144	3.52%	125.10%
World Poker Tour	40,225	3.52%	39,150	3.52%	2.75%
\$1 Fast Play	13,301	3.52%	13,013	3.52%	2.21%
\$2 Fast Play	42,834	3.52%	51,430	3.52%	(16.71%)
\$5 Fast Play	88,994	3.52%	105,152	3.52%	(15.37%)
\$10 Fast Play	167,201	3.52%	149,139	3.52%	12.11%
\$20 Fast Play	167,276	3.52%	114,890	3.52%	45.60%
<b>Total Vendor Fees</b>	<b>\$ 14,266,983</b>	<b>3.52%</b>	<b>\$ 13,457,482</b>	<b>3.52%</b>	<b>6.02%</b>

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Cost of Goods Sold Schedule (excluding Heritage)

For Fiscal Years ending: June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2022 to FY 2023
<b>Agent Commissions and Bonuses</b>					
\$1 Instant	(16) \$ 661,758	10.43%	\$ 452,828	7.02%	46.14%
\$2 Instant	1,174,436	7.00%	1,246,945	7.06%	(5.81%)
\$3 Instant	1,184,027	7.00%	1,154,781	7.05%	2.53%
\$5 Instant	5,462,489	7.00%	6,259,392	7.09%	(12.73%)
\$10 Instant	5,432,388	7.00%	4,904,546	7.07%	10.76%
\$20 Instant	1,966,715	7.00%	2,165,531	7.21%	(9.18%)
\$25 Instant	5,452,879	7.00%	5,595,932	7.07%	(2.56%)
\$30 Instant	777,886	7.00%	-	N/A	N/A
Pick 3	308,162	5.01%	318,499	5.01%	(3.25%)
Pick 4	262,190	5.27%	260,221	5.19%	0.76%
Megabucks	386,421	4.86%	395,477	4.61%	(2.29%)
Powerball	1,366,776	4.96%	1,120,547	4.93%	21.97%
Lucky for Life	148,803	2.24%	338,625	5.15%	(56.06%)
Lotto America 2018	332,154	11.16%	97,784	5.00%	239.68%
Gimme 5	63,575	5.00%	63,195	5.00%	0.60%
Mega Millions	999,642	4.98%	465,007	5.21%	114.97%
World Poker Tour	58,421	5.11%	55,666	5.01%	4.95%
\$1 Fast Play	18,888	5.00%	18,473	5.00%	2.24%
\$2 Fast Play	60,826	5.00%	73,599	5.04%	(17.35%)
\$5 Fast Play	126,376	5.00%	152,205	5.10%	(16.97%)
\$10 Fast Play	237,434	5.00%	214,049	5.05%	10.93%
\$20 Fast Play	237,540	5.00%	170,803	5.24%	39.07%
<b>Total Commissions and Bonuses</b>	<b>\$ 26,719,785</b>	<b>6.59%</b>	<b>\$ 25,524,105</b>	<b>6.68%</b>	<b>4.68%</b>
<b>Other Expenses</b>					
Royalty Fees	\$ 650,454	0.16%	\$ 357,895	0.09%	81.74%
Contractor Incentive Plan	(11) 1,811,000	0.45%	2,615,000	0.68%	(30.75%)
RewardME Lottery Club	(12) 2,937,792	0.73%	3,627,545	0.95%	(19.01%)
Postage	7,437	0.00%	9,999	0.00%	(25.62%)
Fast Play Agent Bonuses	(17) 10,585	0.00%	-	0.00%	N/A
<b>Total Other Expenses</b>	<b>\$ 5,417,268</b>	<b>1.34%</b>	<b>\$ 6,610,438</b>	<b>1.73%</b>	<b>(18.05%)</b>
<b>Total Cost of Goods Sold</b>	<b>\$ 330,361,459</b>	<b>81.53%</b>	<b>\$ 307,988,733</b>	<b>80.58%</b>	<b>7.26%</b>
<b>Total Sales (excluding Heritage)</b>	<b>\$ 405,184,531</b>		<b>\$ 382,203,485</b>		
Cost of Goods Sold as % of Sales (excluding Heritage)	81.53%		80.58%		

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Cost of Goods Sold - Draw Games  
 For Fiscal Years ending: June 30,

FY 2023

	Megabucks	Pick 3	Pick 4	Powerball	Lotto America 2018	Lucky for Life	Gimme 5	World Poker Tour	Mega Millions	Total Draw
<b>Sales</b>	<b>\$ 7,954,603</b>	<b>\$ 6,149,378</b>	<b>\$ 4,976,253</b>	<b>\$ 27,583,206</b>	<b>\$ 2,975,893</b>	<b>\$ 6,642,853</b>	<b>\$ 1,271,478</b>	<b>\$ 1,142,438</b>	<b>\$ 20,083,801</b>	<b>\$ 78,779,902</b>
Prize Expense	\$ 3,978,508	\$ 3,060,457	\$ 2,474,592	\$ 13,882,447	\$ 1,507,532	\$ 2,909,939	\$ 760,991	\$ 709,414	\$ 10,166,372	\$ 39,450,252
Vendor Fees	280,089	216,539	175,227	971,205	104,781	233,895	44,769	40,225	707,151	2,773,881
Agent Commission	386,421	308,162	262,190	1,366,776	148,803	332,154	63,575	58,421	999,642	3,926,143
<b>Total COGS</b>	<b>\$ 4,645,018</b>	<b>\$ 3,585,157</b>	<b>\$ 2,912,009</b>	<b>\$ 16,220,427</b>	<b>\$ 1,761,116</b>	<b>\$ 3,475,988</b>	<b>\$ 869,335</b>	<b>\$ 808,060</b>	<b>\$ 11,873,165</b>	<b>\$ 46,150,276</b>
<b>Gross Profit on Sales</b>	<b>\$ 3,309,585</b>	<b>\$ 2,564,221</b>	<b>\$ 2,064,244</b>	<b>\$ 11,362,779</b>	<b>\$ 1,214,777</b>	<b>\$ 3,166,865</b>	<b>\$ 402,143</b>	<b>\$ 334,378</b>	<b>\$ 8,210,636</b>	<b>\$ 32,629,626</b>
Gross Profit as a % of Sales	41.61%	41.70%	41.48%	41.19%	40.82%	47.67%	31.63%	29.27%	40.88%	41.42%
Tri-State/MUSL Expense/Lucky for Life Operating Expense	\$ 636,385	\$ 491,993	\$ 398,131	\$ 87,479	\$ 11,254	\$ 159,802	\$ 101,719	\$ -	\$ 989	\$ 1,887,753
Gross Profit as a % of Sales after Tri-State/MUSL Expense	33.61%	33.70%	33.48%	40.88%	40.44%	45.27%	23.63%	29.27%	40.88%	39.02%

FY 2022

	Megabucks	Pick 3	Pick 4	Powerball	Lotto America 2018	Lucky for Life	Gimme 5	World Poker Tour	Mega Millions	Total Draw
<b>Sales</b>	<b>\$ 8,580,499</b>	<b>\$ 6,357,640</b>	<b>\$ 5,012,706</b>	<b>\$ 22,739,300</b>	<b>\$ 1,955,785</b>	<b>\$ 6,575,644</b>	<b>\$ 1,263,938</b>	<b>\$ 1,111,913</b>	<b>\$ 8,922,060</b>	<b>\$ 62,519,485</b>
Prize Expense	\$ 4,315,518	\$ 3,170,761	\$ 2,501,519	\$ 11,378,710	\$ 978,415	\$ 3,797,260	\$ 664,563	\$ 690,146	\$ 4,363,150	\$ 31,860,040
Vendor Fees	302,134	223,877	176,511	800,648	68,863	231,528	44,507	39,150	314,144	2,201,363
Agent Commission	395,477	318,499	260,221	1,120,547	97,784	338,625	63,195	55,666	465,007	3,115,022
<b>Total COGS</b>	<b>\$ 5,013,130</b>	<b>\$ 3,713,136</b>	<b>\$ 2,938,251</b>	<b>\$ 13,299,905</b>	<b>\$ 1,145,062</b>	<b>\$ 4,367,414</b>	<b>\$ 772,264</b>	<b>\$ 784,962</b>	<b>\$ 5,142,301</b>	<b>\$ 37,176,425</b>
<b>Gross Profit on Sales</b>	<b>\$ 3,567,369</b>	<b>\$ 2,644,504</b>	<b>\$ 2,074,454</b>	<b>\$ 9,439,395</b>	<b>\$ 810,723</b>	<b>\$ 2,208,230</b>	<b>\$ 491,674</b>	<b>\$ 326,951</b>	<b>\$ 3,779,759</b>	<b>\$ 25,343,060</b>
Gross Profit as a % of Sales	41.58%	41.60%	41.38%	41.51%	41.45%	33.58%	38.90%	29.40%	42.36%	40.54%
Tri-State/MUSL Expense/Lucky for Life Operating Expense	\$ 686,474	\$ 508,666	\$ 401,048	\$ 27,828	\$ -	\$ 8,970	\$ 101,123	\$ -	\$ -	\$ 1,734,109
Gross Profit as a % of Sales after Tri-State/MUSL Expense	33.57%	33.59%	33.38%	41.39%	41.45%	33.45%	30.90%	29.40%	42.36%	37.76%

Percentage Change FY 2022 to FY 2023

	Megabucks	Pick 3	Pick 4	Powerball	Lotto America 2018	Lucky for Life	Gimme 5	World Poker Tour	Mega Millions	Total Draw
Sales	(7.29%)	(3.28%)	(0.73%)	21.30%	52.16%	1.02%	0.60%	2.75%	125.10%	26.01%
COGS	(7.34%)	(3.45%)	(0.89%)	21.96%	53.80%	(20.41%)	12.57%	2.94%	130.89%	24.14%
Gross Profit	(7.23%)	(3.04%)	(0.49%)	20.38%	49.84%	43.41%	(18.21%)	2.27%	117.23%	28.75%

Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Lottery Operations  
Enterprise Fund - 067 - State Lottery Fund  
Cost of Goods Sold - Instant Tickets (excluding Heritage)

For Fiscal Years ending: June 30,

<b>FY 2023</b>									
	<b>\$1 Instant</b>	<b>\$2 Instant</b>	<b>\$3 Instant</b>	<b>\$5 Instant</b>	<b>\$10 Instant</b>	<b>\$20 Instant</b>	<b>\$25 Instant</b>	<b>\$30 Instant</b>	<b>Total Instant</b>
<b>Sales</b>	<b>\$ 6,344,628</b>	<b>\$ 16,777,653</b>	<b>\$ 16,914,672</b>	<b>\$ 78,035,500</b>	<b>\$ 77,605,475</b>	<b>\$ 28,095,737</b>	<b>\$ 77,898,250</b>	<b>\$ 11,112,660</b>	<b>\$ 312,784,575</b>
Prize Expense	\$ 3,908,967	\$ 11,145,991	\$ 11,211,632	\$ 53,733,464	\$ 65,729,674	\$ 20,997,606	\$ 58,468,965	\$ 8,717,882	\$ 233,914,180
Vendor Fees	223,394	590,741	595,566	2,747,630	2,732,489	989,251	2,742,797	391,629	11,013,497
Agent Commission	661,758	1,174,436	1,184,027	5,462,489	5,432,388	1,966,715	5,452,879	777,886	22,112,578
Royalty Fees/StaCap	-	-	-	650,454	-	-	-	-	650,454
Postage/Rental of Equipment	151	399	402	1,855	1,845	668	1,852	264	7,437
<b>Total COGS</b>	<b>\$ 4,794,269</b>	<b>\$ 12,911,567</b>	<b>\$ 12,991,627</b>	<b>\$ 62,595,892</b>	<b>\$ 73,896,396</b>	<b>\$ 23,954,240</b>	<b>\$ 66,666,494</b>	<b>\$ 9,887,661</b>	<b>\$ 267,698,146</b>
<b>Gross Profit on Sales</b>	<b>\$ 1,550,359</b>	<b>\$ 3,866,086</b>	<b>\$ 3,923,045</b>	<b>\$ 15,439,608</b>	<b>\$ 3,709,079</b>	<b>\$ 4,141,497</b>	<b>\$ 11,231,756</b>	<b>\$ 1,224,999</b>	<b>\$ 45,086,429</b>
Gross Profit as a % of Sales	24.44%	23.04%	23.19%	19.79%	4.78%	14.74%	14.42%	11.02%	14.41%

<b>FY 2022</b>									
	<b>\$1 Instant</b>	<b>\$2 Instant</b>	<b>\$3 Instant</b>	<b>\$5 Instant</b>	<b>\$10 Instant</b>	<b>\$20 Instant</b>	<b>\$25 Instant</b>	<b>\$30 Instant</b>	<b>Total Instant</b>
<b>Sales</b>	<b>\$ 6,452,572</b>	<b>\$ 17,667,712</b>	<b>\$ 16,379,223</b>	<b>\$ 88,293,845</b>	<b>\$ 69,383,370</b>	<b>\$ 30,041,160</b>	<b>\$ 79,152,025</b>	<b>\$ -</b>	<b>\$ 307,369,907</b>
Prize Expense	\$ 3,957,406	\$ 11,649,409	\$ 10,853,397	\$ 60,757,097	\$ 50,805,815	\$ 22,459,449	\$ 60,942,986	\$ -	\$ 221,425,559
Vendor Fees	227,195	622,080	576,712	3,108,826	2,442,988	1,057,749	2,786,943	-	10,822,494
Agent Commission	452,828	1,246,945	1,154,781	6,259,392	4,904,546	2,165,531	5,595,932	-	21,779,955
Royalty Fees/StaCap	-	72,492	-	285,402	-	-	-	-	357,895
Postage/Rental of Equipment	210	575	533	2,872	2,257	977	2,575	-	9,999
<b>Total COGS</b>	<b>\$ 4,637,639</b>	<b>\$ 13,591,501</b>	<b>\$ 12,585,423</b>	<b>\$ 70,413,590</b>	<b>\$ 58,155,607</b>	<b>\$ 25,683,707</b>	<b>\$ 69,328,435</b>	<b>\$ -</b>	<b>\$ 254,395,902</b>
<b>Gross Profit on Sales</b>	<b>\$ 1,814,933</b>	<b>\$ 4,076,211</b>	<b>\$ 3,793,800</b>	<b>\$ 17,880,255</b>	<b>\$ 11,227,763</b>	<b>\$ 4,357,453</b>	<b>\$ 9,823,590</b>	<b>\$ -</b>	<b>\$ 52,974,005</b>
Gross Profit as a % of Sales	28.13%	23.07%	23.16%	20.25%	16.18%	14.50%	12.41%	N/A	17.23%

<b>Percentage Change FY 2022 to FY 2023</b>									
	<b>\$1 Instant</b>	<b>\$2 Instant</b>	<b>\$3 Instant</b>	<b>\$5 Instant</b>	<b>\$10 Instant</b>	<b>\$20 Instant</b>	<b>\$25 Instant</b>	<b>\$30 Instant</b>	<b>Total Instant</b>
Sales	(1.67%)	(5.04%)	3.27%	(11.62%)	11.85%	(6.48%)	(1.58%)	N/A	1.76%
COGS	3.38%	(5.00%)	3.23%	(11.10%)	27.07%	(6.73%)	(3.84%)	N/A	5.23%
Gross Profit	(14.58%)	(5.15%)	3.41%	(13.65%)	(66.97%)	(4.96%)	14.33%	N/A	(14.89%)

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Lottery Operations  
 Enterprise Fund - 067 - State Lottery Fund  
 Cost of Goods Sold - Fast Play Games  
 For Fiscal Years ending: June 30,

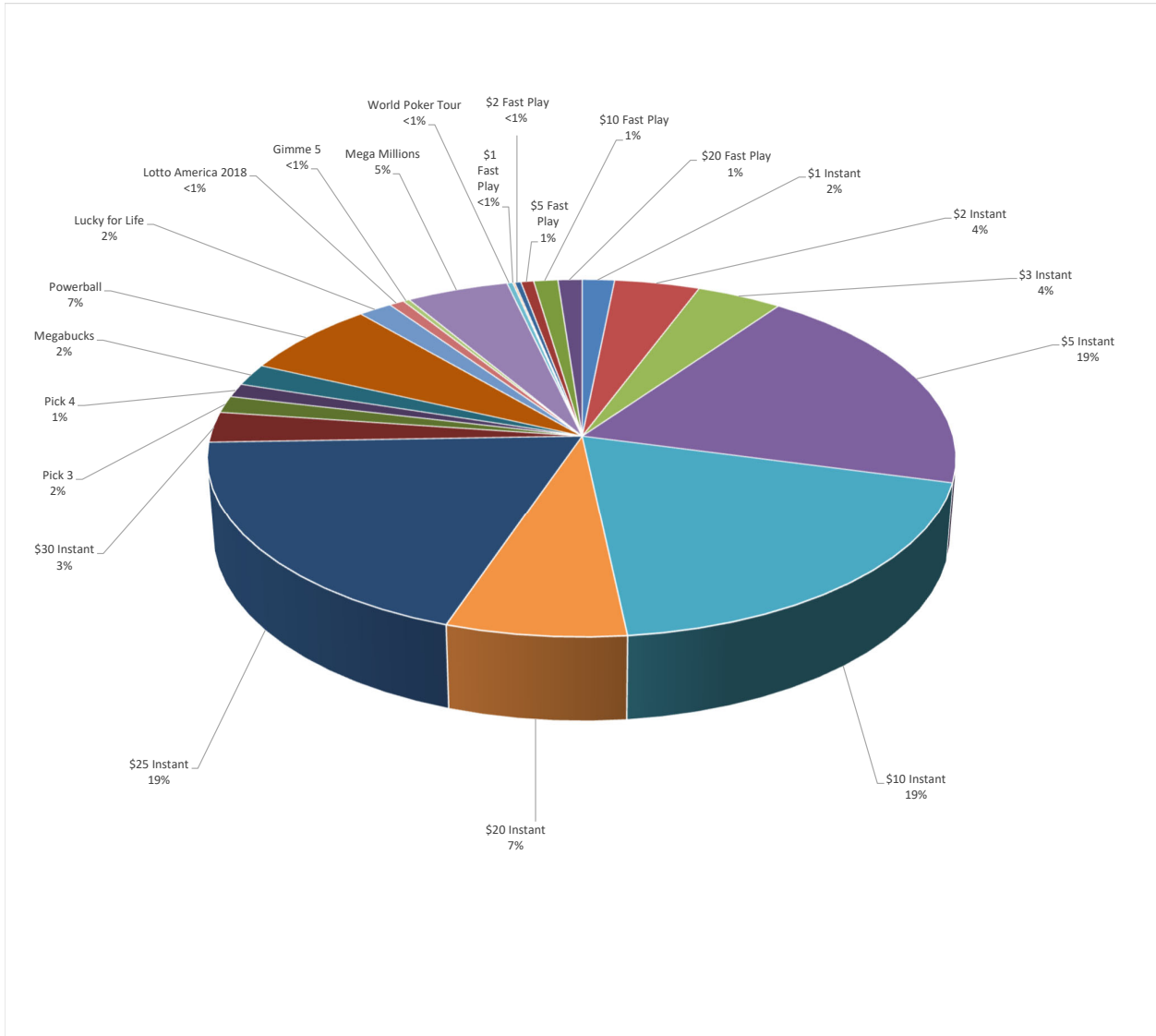
<b>FY 2023</b>							
	<b>\$1 Fast Play</b>	<b>\$2 Fast Play</b>	<b>\$5 Fast Play</b>	<b>\$10 Fast Play</b>	<b>\$20 Fast Play</b>	<b>Total</b>	<b>Fast Play</b>
Sales	\$ 377,735	\$ 1,216,488	\$ 2,527,320	\$ 4,748,205	\$ 4,750,306	\$ 13,620,054	
Prize Expense	\$ 233,320	\$ 813,857	\$ 1,756,816	\$ 3,514,310	\$ 4,274,687	\$ 10,592,991	
Vendor Fees	13,301	42,834	88,994	167,201	167,276	479,605	
Agent Commission	18,888	60,826	126,376	237,434	237,540	681,064	
<b>Total COGS</b>	<b>\$ 265,509</b>	<b>\$ 917,518</b>	<b>\$ 1,972,186</b>	<b>\$ 3,918,945</b>	<b>\$ 4,679,502</b>	<b>\$ 11,753,659</b>	
<b>Gross Profit on Sales</b>	<b>\$ 112,227</b>	<b>\$ 298,971</b>	<b>\$ 555,134</b>	<b>\$ 829,260</b>	<b>\$ 70,804</b>	<b>\$ 1,866,394</b>	
Gross Profit as a % of Sales	29.71%	24.58%	21.97%	17.46%	1.49%	13.70%	
Tri State Expense	\$ 30,220	\$ 97,322	\$ 202,201	\$ 379,894	\$ 380,064	\$ 1,089,702	
Fast Play Agent Bonuses	\$ 294	\$ 945	\$ 1,964	\$ 3,690	\$ 3,692	\$ 10,585	
Gross Profit after Tri State Expense - Percent	21.71%	16.58%	13.96%	9.46%	-6.51%	5.70%	

<b>FY 2022</b>							
	<b>\$1 Fast Play</b>	<b>\$2 Fast Play</b>	<b>\$5 Fast Play</b>	<b>\$10 Fast Play</b>	<b>\$20 Fast Play</b>	<b>Total</b>	<b>Fast Play</b>
<b>Sales</b>	<b>\$ 369,578</b>	<b>\$ 1,460,520</b>	<b>\$ 2,986,185</b>	<b>\$ 4,235,230</b>	<b>\$ 3,262,580</b>	<b>\$ 12,314,093</b>	
Prize Expense	\$ 228,313	\$ 975,192	\$ 2,096,860	\$ 3,135,140	\$ 2,675,603	\$ 9,111,108	
Vendor Fees	13,013	51,430	105,152	149,139	114,890	433,624	
Agent Commission	18,473	73,599	152,205	214,049	170,803	629,129	
<b>Total COGS</b>	<b>\$ 259,799</b>	<b>\$ 1,100,221</b>	<b>\$ 2,354,217</b>	<b>\$ 3,498,328</b>	<b>\$ 2,961,296</b>	<b>\$ 10,173,861</b>	
<b>Gross Profit on Sales</b>	<b>\$ 109,779</b>	<b>\$ 360,299</b>	<b>\$ 631,968</b>	<b>\$ 736,902</b>	<b>\$ 301,284</b>	<b>\$ 2,140,232</b>	
Gross Profit as a % of Sales	29.70%	24.67%	21.16%	17.40%	9.23%	17.38%	
Tri State Expense	\$ 29,568	\$ 116,854	\$ 238,914	\$ 338,855	\$ 261,038	\$ 985,230	
Fast Play Agent Bonuses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Gross Profit after Tri State Expense - Percent	21.70%	16.67%	13.16%	9.40%	1.23%	9.38%	

<b>Percentage Change FY 2022 to FY 2023</b>							
	<b>\$1 Fast Play</b>	<b>\$2 Fast Play</b>	<b>\$5 Fast Play</b>	<b>\$10 Fast Play</b>	<b>\$20 Fast Play</b>	<b>Total</b>	<b>Fast Play</b>
Sales	2.21%	(16.71%)	(15.37%)	12.11%	45.60%	10.61%	
COGS	2.20%	(16.61%)	(16.23%)	12.02%	58.02%	15.53%	
Gross Profit	2.23%	(17.02%)	(12.16%)	12.53%	(76.50%)	(12.79%)	



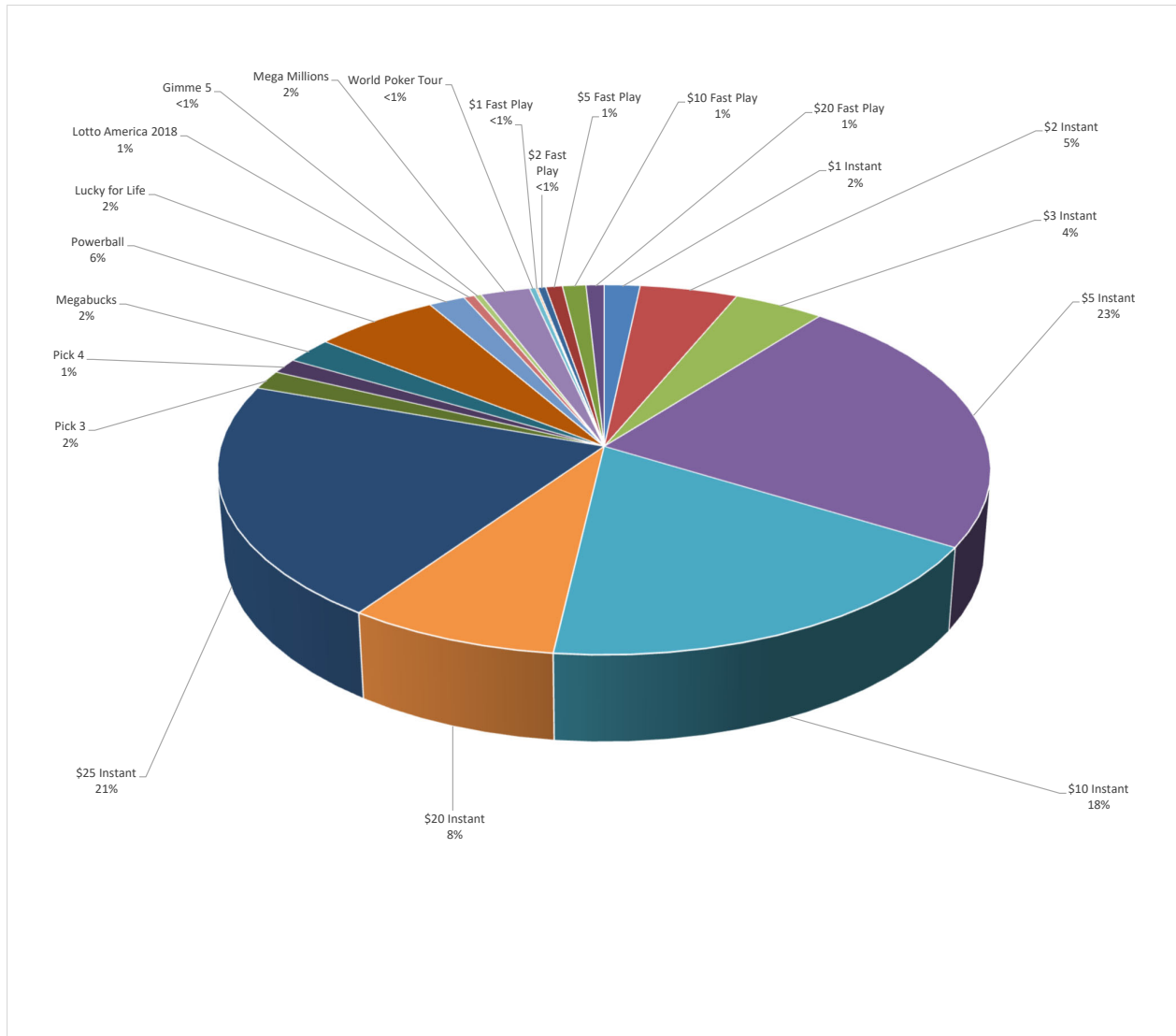
**Department of Administrative and Financial Services**  
**Bureau of Alcoholic Beverages and Lottery Operations**  
**Lottery Operations**  
**Enterprise Fund - 067 - State Lottery Fund**  
**Comparative Sales Analysis**  
**For FY 2023 and FY 2022**



	<b>FY 2023</b>
\$1 Instant	\$ 6,344,628
\$2 Instant	16,777,653
\$3 Instant	16,914,672
\$5 Instant	78,035,500
\$10 Instant	77,605,475
\$20 Instant	28,095,737
\$25 Instant	77,898,250
\$30 Instant	11,112,660
Pick 3	6,149,378
Pick 4	4,976,253
Megabucks	7,954,603
Powerball	27,583,206
Lucky for Life	6,642,853
Lotto America 2018	2,975,893
Gimme 5	1,271,478
Mega Millions	20,083,801
World Poker Tour	1,142,438
\$1 Fast Play	377,735
\$2 Fast Play	1,216,488
\$5 Fast Play	2,527,320
\$10 Fast Play	4,748,205
\$20 Fast Play	4,750,306
	<b><u>\$ 405,184,531</u></b>

\*Excludes the Outdoor Heritage Game

**Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Lottery Operations  
Enterprise Fund - 067 - State Lottery Fund  
Comparative Sales Analysis**

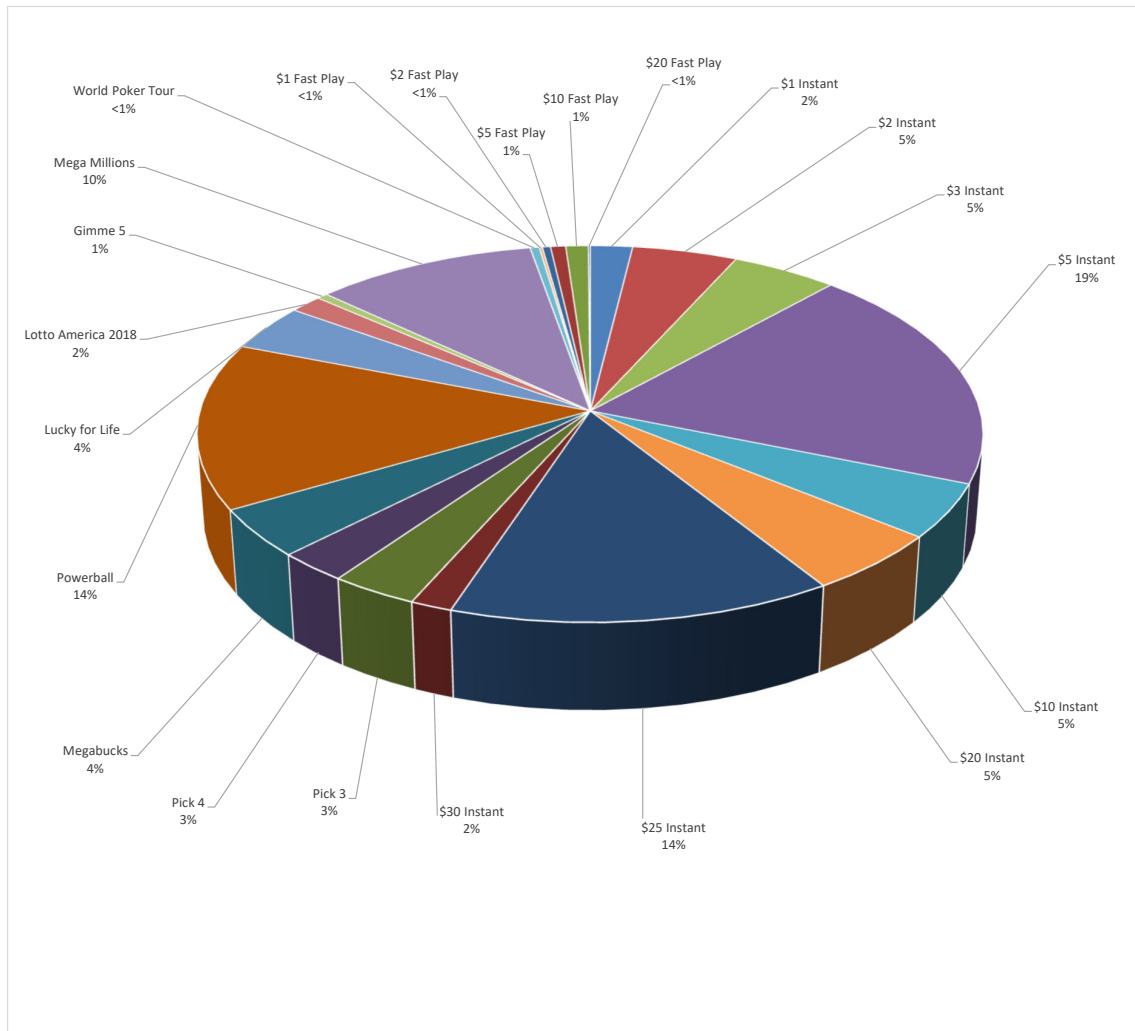


**FY 2022**

\$1 Instant	\$ 6,452,572
\$2 Instant	17,667,712
\$3 Instant	16,379,223
\$5 Instant	88,293,845
\$10 Instant	69,383,370
\$20 Instant	30,041,160
\$25 Instant	79,152,025
\$30 Instant	-
Pick 3	6,357,640
Pick 4	5,012,706
Megabucks	8,580,499
Powerball	22,739,300
Lucky for Life	6,575,644
Lotto America 2018	1,955,785
Gimme 5	1,263,938
Mega Millions	8,922,060
World Poker Tour	1,111,913
\$1 Fast Play	369,578
\$2 Fast Play	1,460,520
\$5 Fast Play	2,986,185
\$10 Fast Play	4,235,230
\$20 Fast Play	3,262,580
<b>Total</b>	<b><u>\$ 382,203,485</u></b>

\*Excludes the Outdoor Heritage Game

**Department of Administrative and Financial Services**  
**Bureau of Alcoholic Beverages and Lottery Operations**  
**Lottery Operations**  
**Enterprise Fund - 067 - State Lottery Fund**  
**Gross Profit Comparison**  
**For FY 2023 and FY 2022**

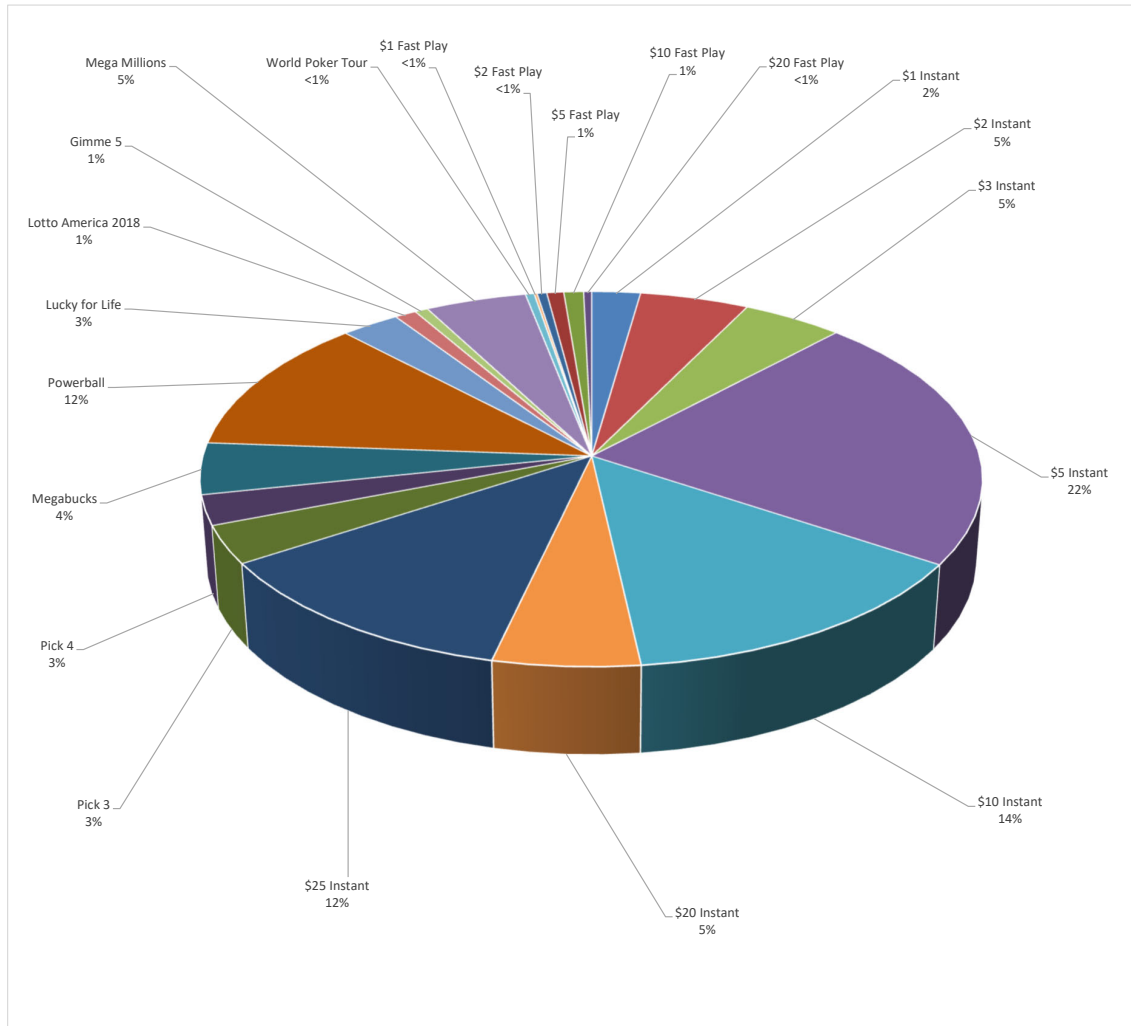


**FY 2023**

\$1 Instant	\$ 1,550,359
\$2 Instant	3,866,086
\$3 Instant	3,923,045
\$5 Instant	15,439,608
\$10 Instant	3,709,079
\$20 Instant	4,141,497
\$25 Instant	11,231,756
\$30 Instant	1,224,999
Pick 3	2,564,221
Pick 4	2,064,244
Megabucks	3,309,585
Powerball	11,362,779
Lucky for Life	3,166,865
Lotto America 2018	1,214,777
Gimme 5	402,143
Mega Millions	8,210,636
World Poker Tour	334,378
\$1 Fast Play	112,227
\$2 Fast Play	298,971
\$5 Fast Play	555,134
\$10 Fast Play	829,260
\$20 Fast Play	70,804
	<b><u>\$ 79,582,449</u></b>

\*Excludes the Outdoor Heritage Game

**Department of Administrative and Financial Services**  
**Bureau of Alcoholic Beverages and Lottery Operations**  
**Lottery Operations**  
**Enterprise Fund - 067 - State Lottery Fund**  
**Gross Profit Comparison**



**FY 2022**

\$1 Instant	\$ 1,814,933
\$2 Instant	4,076,211
\$3 Instant	3,793,800
\$5 Instant	17,880,255
\$10 Instant	11,227,763
\$20 Instant	4,357,453
\$25 Instant	9,823,590
\$30 Instant	-
Pick 3	2,644,504
Pick 4	2,074,454
Megabucks	3,567,369
Powerball	9,439,395
Lucky for Life	2,208,230
Lotto America 2018	810,723
Gimme 5	491,674
Mega Millions	3,779,759
World Poker Tour	326,951
\$1 Fast Play	109,779
\$2 Fast Play	360,299
\$5 Fast Play	631,968
\$10 Fast Play	736,902
\$20 Fast Play	301,284
	<b><u>\$ 80,457,297</u></b>

\*Excludes the Outdoor Heritage Game

## Lottery Operations Notes

### Balance Sheet:

- (1) Accrued Payroll is necessary to accurately reflect total salary expense for Fiscal Year 2022 and represents fourteen (15) days for June 2023.
- (2) Due to Other Funds reflects the amount of Lottery profit owed to the General Fund plus \$1.886 million set aside for the FY 2023 contractor incentive plan. This balance fluctuates depending on the timing of cash flow from the Lottery's accounts receivable bank sweeps through Treasury.
- (3) MUSL Prize Reserve represents the potential liability of prize-winning Powerball, Lotto America and Mega Million tickets sold but not yet redeemed.
- (4) Lucky for Life Prize Reserve represents the potential liability of prize-winning Lucky for Life tickets sold but not yet redeemed.
- (5) Lucky for Life Expired Prize Reserve represents the liability of prize-winning Lucky for Life tickets sold but not redeemed. The funds will be awarded as other prizes.
- (6) The Instant Ticket Prize Reserve represents the potential liability of prize-winning instant tickets sold but not yet redeemed.
- (7) The Vending Machine Voucher Liability represents the amount of unliquidated vouchers remaining from vending machine ticket purchases.

### Year to Date Comparative Statements of Income and Expenses:

- (8) Maine State Lottery unveiled its first \$30 Instant game in May 2023.
- (9) Expired Instant Prize Reserve represents the income received from winning expired instant tickets not redeemed. FY23 Expired Instant Prize Reserve includes:

\$1 Instant Accelerated	\$254,641
\$2 Instant Accelerated	171,349
\$3 Instant Accelerated	299,189
\$5 Instant Accelerated	786,927
\$10 Instant Accelerated	340,937
\$20 Instant Accelerated	25,200
\$25 Instant Accelerated	136,776
Heritage Accelerated	46,729
44 Games Expired	966,320
1 Heritage Game Expired	<u>13,531</u>
Total	<u>\$3,041,600</u>

## Lottery Operations Notes (continued)

### **Year to Date Comparative Statements of Income and Expenses (continued):**

- (10) Tri-State/MUSL Operating Expenses are listed as a separate line item to accurately reflect the Cost of Goods Sold. The amounts are determined as follows:
- a. Tri-State Operating Expense – 16.521 percent of Tri-State sales less commissions and vendor fees.
  - b. MUSL Marketing Fee – .2 percent of MUSL sales.
- (11) Contractor Incentive Plan reflects a substantial decrease in Fiscal Year 2023 due to a lower negotiated incentive rate. In FY 2023, the incentive was 3.995 percent of annual sales versus the three-prior-years' sales, versus 5 percent in FY 2022. With record sales in FY 2023, the renegotiated rate resulted in a savings of nearly \$494 thousand.
- (12) The RewardME Lottery Club balance ran a surplus during FY 2020, so the state ceased paying into the fund. In FY 2021, the state resumed adding funds to the account to support promotions and continued funding the program in FY 2023.
- (13) A Cash Pool Distribution from the State Treasury posted after the Lottery General Fund transfer occurred, but still posted for FY21. The amount reflected in the cash and unappropriated surplus accounts for carryover and was included in the July 2021 General Fund transfer in Fiscal Year 2022.

### **Heritage Game Income Statement:**

- (14) Heritage Game instant tickets are sold through the Maine State Lottery to generate revenues that directly benefit conservation projects through the following grant categories:
- Category 1     Fisheries and wildlife habitat conservation projects
  - Category 2     Acquisition and management of public lands, parks, wildlife conservation areas and public access, and outdoor recreation sites and facilities
  - Category 3     Endangered and threatened species conservation projects
  - Category 4     Natural resources law enforcement

### **Maine Operating Expense Schedule:**

- (15) Included in Personal Services for June 2023 are fifteen (15) days of payroll accrual. The accrual is necessary to help more accurately reflect total salary expense for Fiscal Year 2023.

## **Lottery Operations Notes (continued)**

### **Maine Cost of Goods Sold Schedule (excluding Heritage):**

- (16)** Agent Commissions and Bonuses as a percent of sales exceeds 7 percent due to allocation of Instant Ticket Sold Winner Commissions to this accounting line
- (17)** Fast Play Agent Bonuses represent bonuses paid to retailers for High-tier prize winning tickets sold.

Department of Administrative and Financial Services  
 Bureau of Alcoholic Beverages and Lottery Operations  
 Spirits Operations  
 Enterprise Fund - 060 - Alcoholic Beverage Fund  
 Balance Sheet  
 As of June 30,

**ASSETS:**

	2023	% of 2023 Total	2022	% of 2022 Total
<b>Current Assets</b>				
Cash	\$ 6,340,482	43.78%	\$ 7,450,688	9.19%
Cash with Fiduciary	5,483,747	37.86%	68,952,943	85.02%
Accounts Receivable	2,659,560	18.36%	4,697,433	5.79%
Total Current Assets	<b>\$ 14,483,789</b>	<b>100.00%</b>	<b>\$ 81,101,065</b>	<b>100.00%</b>
<b>TOTAL ASSETS</b>	<b>\$ 14,483,789</b>	<b>100.00%</b>	<b>\$ 81,101,065</b>	<b>100.00%</b>

**LIABILITIES:**

Accounts Payable	(18) \$ 6,837,758	18.04%	\$ 8,930,458	14.11%
Compensated Absences	31,217	0.08%	74,152	0.12%
Due to Other Funds	(19) 27,246,429	71.90%	50,395,000	79.60%
Interest Matured Payable	3,757,376	9.91%	3,887,694	6.14%
Accrued payroll	(20) 24,485	0.06%	19,763	0.03%
<b>TOTAL LIABILITIES</b>	<b>\$ 37,897,265</b>	<b>100.00%</b>	<b>\$ 63,307,066</b>	<b>100.00%</b>

**RESERVES:**

Retained Earnings	\$ 68,758,625	-263.80%	\$ 59,554,628	323.45%
Unappropriated Surplus	(85,172,101)	363.77%	(39,760,629)	-223.45%
Profit or Loss	(7,000,000)	0.03%	(2,000,000)	0.00%
<b>TOTAL RESERVES</b>	<b>\$ (23,413,476)</b>	<b>100.00%</b>	<b>\$ 17,793,999</b>	<b>100.00%</b>

<b>TOTAL LIABILITIES &amp; RESERVES</b>	<b>\$ 14,483,789</b>		<b>\$ 81,101,065</b>	
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Department of Administrative and Financial Services  
Bureau of Alcoholic Beverages and Lottery Operations  
Spirits Operations  
Enterprise Fund - 060 - Alcoholic Beverage Fund  
Comparative Statements of Income and Expense  
For Fiscal Years ending June 30,

	FY 2023	% of Sales	FY 2022	% of Sales	% Change FY 2021 to FY 2022
<b>Sales</b>					
Spirit Sales	(21) \$ 254,943,135	100.00%	\$ 246,966,767	100.00%	3.23%
<i>Total Spirit Sales</i>	<b>\$ 254,943,135</b>	<b>100.00%</b>	<b>\$ 246,966,767</b>	<b>100.00%</b>	
<b>Other Revenue</b>					
Interest earned	\$ 4,582,374		\$ 927,386		
Bottle deposit	-		-		
Misc income	27,352		-		
Revenue Transfer to General Fund and MDOT	(22) 630,100		(630,100)		
Prior year adjustment	-		-		
<i>Total Other Revenue</i>	<b>\$ 5,239,827</b>		<b>\$ 297,286</b>		
<b>Total Revenue</b>	<b>\$ 260,182,962</b>		<b>\$ 247,264,054</b>		<b>5.22%</b>
<b>Spirit Expenses</b>					
Product cost	\$ 166,837,995	65.44%	\$ 162,472,362	65.79%	2.69%
Bottle deposit	3,405,134	1.34%	3,984,440	1.61%	(14.54%)
Warehousing & Distribution	10,883,760	4.27%	10,727,506	4.34%	1.46%
Trade Marketing	5,393,236	2.12%	5,211,210	2.11%	3.49%
Personnel	472,356	0.19%	379,118	0.15%	24.59%
Advertising	2,039,678	0.80%	1,582,967	0.64%	28.85%
Technology	111,244	0.04%	236,780	0.10%	(53.02%)
Misc operating expenses	230,726	0.09%	474,901	0.19%	(51.42%)
Stacap	55,700	0.02%	121,451	0.05%	(54.14%)
<i>Total Spirit Expenses</i>	<b>\$ 189,429,829</b>	<b>74.30%</b>	<b>\$ 185,190,735</b>	<b>74.99%</b>	<b>2.29%</b>
<b>Other Expenses</b>					
Bond bank quarterly fees	\$ 135,222	N/A	\$ 46,751	0.02%	189.24%
Interest payments due on bonds	1,499,765	0.59%	2,471,939	1.00%	(39.33%)
<i>Total Other Expenses</i>	<b>\$ 1,634,987</b>	<b>0.64%</b>	<b>\$ 2,518,690</b>	<b>1.02%</b>	<b>(35.09%)</b>
<b>Total Expenses</b>	<b>\$ 191,064,817</b>	<b>74.94%</b>	<b>\$ 187,709,426</b>	<b>76.01%</b>	<b>1.79%</b>
<b>General Fund Transfers</b>					
Product listing fee transfer to General Fund	\$ 40,840	0.02%	\$ 66,904	0.03%	(38.96%)
Premium tax transfer to General Fund	3,105,617	1.22%	3,158,942	1.28%	(1.69%)
<i>Total GF Transfers</i>	<b>\$ 3,146,457</b>	<b>1.23%</b>	<b>\$ 3,225,846</b>	<b>1.31%</b>	<b>(2.46%)</b>
<b>Profit</b>	<b>Total Profit</b>				
	<b>\$ 65,971,688</b>	<b>25.88%</b>	<b>\$ 56,328,782</b>	<b>22.81%</b>	<b>17.12%</b>
<b>Other Transfers</b>					
Transfer from MMBB	(23) \$ 7,000,000	2.75%	\$ 7,000,000	2.83%	0.00%
<i>Total Other Transfers</i>	<b>\$ 7,000,000</b>	<b>2.75%</b>	<b>\$ 7,000,000</b>	<b>2.83%</b>	<b>0.00%</b>

## Spirit Operations Notes

### Balance Sheet:

- (18) Accounts Payable represents invoices that have been processed and for which payment is due, that will not be disbursed until July.
- (19) Due to Other Funds reflects the amount outstanding for the Bonds with Maine Municipal Bond Bank.
- (20) Accrued Payroll is necessary to help more accurately reflect total salary expense for Fiscal Year 2023 and represents fifteen (15) days for June 2023.

### Income Statement:

- (21) Spirit Sales include the revenue from sales to agency stores, plus bottle deposit, bailment from suppliers for warehouse activity and suppliers' share of dollar discounts for monthly special pricing. The bottle deposit is subsequently booked as an expense in the Spirits Expenses section.
- (22) This entry reflects reversal of the duplicated FY 2022 revenue transfer of \$630,100 to Maine Department of Transportation per Public Law 2014, chapter 269, section 6054, subsection 3C.
- (23) This reflects the amount transferred back from Maine Municipal Bond Bank to the Safe Drinking Water Fund, the Clean Water Fund and the Maine Department of Transportation. For Fiscal Year 2023, amounts and details are:

Program	Amount	Notes
Safe Drinking Water	\$ 3,112,900	Transferred to Department of Health and Human Services
Clean Water	2,774,700	Transferred to Department of Environmental Protection
Highways & Bridges	<u>1,112,400</u>	Transferred to Department of Transportation
<b>Total</b>	<b><u>\$ 7,000,000</u></b>	