



Achieving Record-Setting Results
Annual Report 2021



CEO Matthew N. Strawn



On behalf of the people of Iowa, the Iowa Lottery is proud to have generated a record \$101.7 million in proceeds to state causes in Fiscal Year 2021. The efforts of the Iowa Lottery team and its retail partners were instrumental in not only clearing the \$100 million annual proceeds benchmark for the first time in history, but, doing so while also safely navigating a global pandemic.

The record proceeds delivered to the people of Iowa were the result of record sales, as the \$400 million annual sales mark was also eclipsed for the first time in the 36-year history of the Iowa Lottery. Driving this sales growth, again, were scratch tickets as the lottery set a record for scratch ticket sales for a seventh consecutive year. Players were also among the big winners, as the Lottery paid a record amount of prizes to lottery players during FY 2021.

The Iowa Lottery’s commitment to integrity and service to Iowans remains the bedrock upon which these financial successes are built. It is a privilege to lead an organization that is exceeding its revenue projections, operating in an efficient and responsible manner on behalf of Iowans, and creating entertaining and innovative products that ensure the Lottery can fulfill its promise to Iowa.

Thank you to our players, our retail partners, state policymakers, and the Iowa Lottery Board and staff for their roles during both a challenging – and rewarding – year of delivering results for our fellow Iowans.

With appreciation,

Iowa Lottery Board



Josh Cook of Ankeny joined the Lottery Board in 2019. He is the president and CEO of the Johnston-based Community Choice Credit Union.



Sherrae Hanson of Ankeny joined the Lottery Board in 2018. She is the tax manager at Denman & Co., a CPA and business-consulting firm in West Des Moines.



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



John Quinn joined the Lottery Board in 2018. He is the Waukee chief of police and lives in Urbandale.



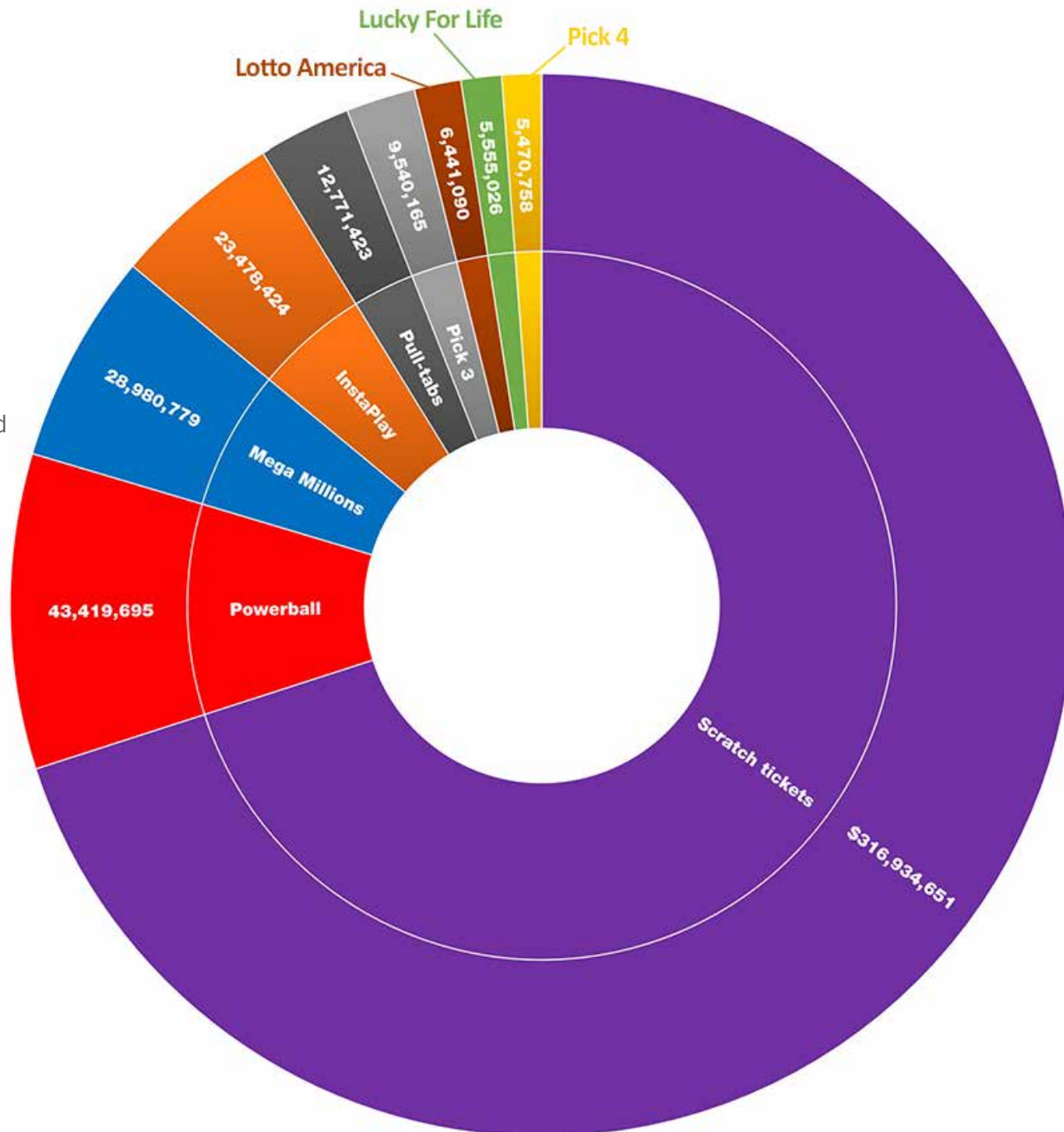
Mary Rathje joined the Lottery Board in 2015. She is the office manager and controller at Rathje Construction Co. in Marion, where she also resides.



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

Sales Notes

- Sales increased over the previous year in every product category with the exception of Lotto America.
- Scratch ticket** sales in Iowa, which have set records consecutively since FY 2015, did so again in FY 2021 and totaled \$316.9 million, an increase of \$54.5 million from the previous record for that product set last year.
- The jackpots in **Mega Millions**® and **Powerball**® simultaneously topped the \$700 million mark for the first time in January, with the Mega Millions prize in particular growing to more than \$1 billion, the second-largest prize in the history of that game. The twin huge prizes generated a corresponding surge in sales in both games: Mega Millions sales trended up 42 percent and Powerball sales were up 19 percent compared to the previous year. See Page 13 for more information.



The Iowa Lottery undertook a number of initiatives in FY 2021 to keep focus on integrity, responsible play and informed choices by its players. The Lottery views these efforts as central to its mission of responsibly providing an entertainment option to Iowans and raising proceeds for state causes.

Responsible play is emphasized every day by the Lottery through the information it prints about 1-800-BETS OFF, the statewide helpline of the Iowa Gambling Treatment Program, on millions of lottery tickets, brochures, point-of-sale materials and other publications.



The Lottery added a "Play Responsibly" button to the self-service kiosks (left) and to the top of the screen on all lottery terminals (center) found at retailers. When someone presses the "Play Responsibly" button, they are asked if they want to print a message (right).

There also are now additional tools available at retail locations that can help deliver responsible-play messages to consumers. A "play responsibly" icon has been added to the screens of lottery terminals and self-service kiosks in Iowa. By touching the icon, retail personnel or customers can print out a message about the help available in our state for problem gambling.

In addition, each March, the Lottery works with the Iowa Department of Public Health to highlight National Problem Gambling Awareness Month through a statewide public-service campaign. The public-service messages are delivered across a wide array of media platforms with the goal of best reaching consumers in today's fragmented world of information consumption. In March 2021, the Lottery's messages were delivered through broadcast television, cable, radio, outdoor billboards, online streaming services, and social media. In all, more than \$290,000 in in-kind media placements were secured during the March initiative. The hashtag seen during March was #AwarenessPlusAction, emphasizing the way we all can pull together to make a difference.



If you worry that you're playing beyond your means or just have questions about problem gambling, help is available 24/7 here in Iowa through live chat, text, e-mail or phone. Visit yourlifeiowa.org or call 1-800-BETSOFF.

At the Iowa Lottery, we mean it:
Playing smart is a lot more fun.

Everyone needs help sometimes.

Call 1-800-BETS OFF or visit yourlifeiowa.org.

YOUR LIFE IOWA

IOWA DEPARTMENT OF PUBLIC HEALTH

And each December, the lottery participates in an annual campaign supported by the National Council on Problem Gambling and the North American Association of State and Provincial Lotteries. It reminds the public to consider the age appropriateness of the gifts they are giving during the holidays. The Lottery's messages included the reminder that it is important to keep a person's age in mind when it comes to gift-giving to minimize the risks associated with youth gambling.

For those who have questions about problem gambling, help is available 24/7 in Iowa by calling 1-800-BETS OFF or visiting yourlifeiowa.org, the website of the Your Life Iowa program at the Iowa Department of Public Health.

Lotto Winners



He Always Dreamed He Would Win

Anton Garrett of Waterloo claimed a \$2 million **Powerball**® prize on a ticket where he chose his own numbers, playing a combination of family birthdays, anniversaries and other significant dates.

“I always dreamed I would win,” Garrett said. “It’s something I could just see.”

Garrett, 48, who works at Tyson Foods in Waterloo as a forklift operator, bought his winning ticket at New Star Liquor, 1625 W. Fourth St. in Waterloo.

Garrett said that he and his wife, Astrid, planned to invest his winnings for retirement and would buy a new home.

Iowa Lottery players won a record \$288.9 million in prizes this fiscal year, an increase of 22 percent over FY 2020.

Lucky For Life®



Deb Perrott of Mount Pleasant won \$25,000 a year for life playing the **Lucky For Life** game. Perrott, who works at a mail-management company, chose to receive her winnings in annual payments of \$25,000. She said her immediate plans were to take her husband to lunch and she also might do a little traveling, but the bulk of her winnings will make a difference long term for her retirement.



Craig Walker of Bloomfield won a **Lucky for Life** prize of \$25,000 a year for life.

Walker said he didn’t realize he’d won the prize until a few days after the drawing.

He saw on the Lottery’s website that somebody in southeast Iowa had won, so he checked his numbers online and was thrilled when he realized it was he who had won.

“I had the ticket in my pocket the whole time,” he said. “It was pretty exciting when I found out.”

Walker said he’s earmarked the money for retirement.

Weekend Getaway Leads to ‘Lightning’ Strike and \$1 Million Win

Karen Kramer of Urbana bought a **Mega Millions**® ticket while on a weekend getaway to her cabin along the Mississippi River and won a \$1 million prize.

“I saw a ‘1’ with some zeroes,” Kramer said. “I didn’t think about how many I saw at first, then it hit me.”

Convinced that the information on the Lottery’s mobile app was wrong, she checked her ticket again - and again.

“I rechecked everything because I thought, ‘Well, my phone’s wrong.’ And it came up again the same,” said Kramer, 60, who works as a para-educator in her local school district. “So I went on the website, then I went and checked on Facebook and it said that the winning ticket had been won at Barry’s. And I’m going, ‘OK, that’s me!’”

Kramer said she sent a text to her husband, Brad, which initially worried him because he only saw the first sentence: “Lightning struck us.” Then he read the rest of her message where she said she went on to say: “On Mega Millions, I won \$1 million! But please don’t tell anybody yet.”

Kramer bought her lucky ticket at Barry’s Mini Mart, 403 W. Chestnut St. in Harpers Ferry, the community in northeast Iowa where she and her husband have their cabin.

Kramer said that she and her husband plan to invest the bulk of her winnings for retirement and pay some bills. She also plans to get a dog.



Pick 4

Pearce Powers of Des Moines won more than \$90,000 in lottery prizes in **Pick 4** after purchasing tickets using a meaningful number from his childhood.

“This number was an address I lived at when I was a kid on the lake,” Powers told Lottery officials. “It was a very nice, peaceful time of my life, and I always play the same number.”

Powers, who plans to use his winnings to pay bills, said his lottery win was a bright spot in a difficult year.

“It comes at a good time: This has been a tough year,” he said. “It’s been difficult, and this is a blessing.”



Scratch and InstaPlay Winners

Coletyn Jensen of Council Bluffs has an eye toward paying off student loans, buying a home and investing after he won a \$300,000 top prize playing the **Win Big** game.

“That’s the ultimate goal,” Jensen said. “Retiring early would be nice, so if I can get a little jump-start on that, that’d be awesome.”

Jensen, 27, stopped at a local convenience store after a round of golf to redeem an earlier winning ticket, and decided to put his winnings toward a ticket in the \$30 scratch game.

He scratched the ticket when he returned to his vehicle. When he uncovered a winning symbol, he scratched to reveal the prize. Jensen pulled out his phone and scanned the ticket on the Iowa Lottery mobile app to confirm his win.

“I think I’m still in shock and it’s been two days,” he said. “It’s very surreal, pretty much a life-changing moment.”



Shonda Rogge of Battle Creek plans to begin the search for her dream home after winning a \$300,000 prize playing **Colossal Crossword**.

Rogge, 35, bought her winning ticket while on her lunch break.

After scratching the ticket, she tried to check the size of her prize by scanning the ticket with her Iowa Lottery mobile app, but she was out of data on her phone. She asked her uncle, who works with her at a commercial door manufacturer, to download the app and scan the ticket instead.

“And we sat in my truck and screamed, and I cried,” she said. “It was great and it still isn’t sinking in.”

“It does not feel real at all,” Rogge said. “I don’t know when it will hit me, actually. Maybe when I see some zeroes in the bank?”

Scratch Games

InstaPlay



Valencia Kassmeyer of West Point won an **Extreme Green Progressive InstaPlay** jackpot prize of \$135,902.

It was her second win in a couple of months’ time.

“I couldn’t believe it that I would have two big wins like that that close together,” said Kassmeyer, who claimed a \$100,000 prize about a month earlier. “You see and you read on the Internet about that happening to other people, but you’re like, ‘Surely this isn’t happening to me.’”

Kassmeyer, 69, said she had planned to buy a Crossword scratch ticket when she entered the store, but saw the increasing Extreme Green jackpot on the lottery screen as she walked to the counter.

“I said, ‘Well, just give me one of them instead,’” she recalled. “I said, ‘We’ll just try that.’”

Kassmeyer said she wasn’t sure what she’ll do with her winnings, but buying a new couch was at the top of the list.



Otto Samuels of Rose Hill plans to upgrade the spot where he works on his car after winning a \$25,000 lottery prize playing the Cash Spectacular InstaPlay game.

“It’s unbelievable,” Samuels, 67, told Lottery officials. “I’ve been out of the service for quite a few years now and it’s been rough. This is excellent. It helped out tremendously.”

Samuels, an Air Force veteran, waited a day after he purchased the ticket to check it.

“Of course, I couldn’t believe it,” Samuels said of uncovering one of the game’s top prizes. “I went ahead and checked with my friend to see if I really did, to make sure I was coherent.”

Samuels said he plans to donate part of his winnings to his church, and use the rest to build a garage “so he doesn’t have to work on [his] car in the gravel anymore.”



Harold Hinds of Fort Dodge bought three lottery tickets that won successively larger amounts, the last yielding him a \$100,000 prize.

Hinds, 80, won the big prize playing **\$100,000 Mega Crossword**. He stopped for a morning coffee and a scratch ticket. He scratched it later, winning \$10, and returned to the store to redeem his prize and purchase another ticket.

Hinds won \$30 on his second ticket and returned to the store once more.

“Took that one back, put \$20 in my pocket and got another ticket,” he said. “Scratched it off, and voilà!”

Hinds said that he and his wife plan to use the winnings on home repairs and possibly a new car.

Robert Jellison of Corydon won a progressive jackpot of \$140,792 in the **Extreme Green Progressive InstaPlay** game. He told officials as he claimed his prize that his oldest daughter recently dreamed he’d win \$35,000.

“She said to me yesterday, ‘Well, my vision was true, just a little more profitable!’” Jellison said with a laugh.

After Jellison, 52, bought his winning ticket, he looked it over a couple of times.

“I kind of looked at it like I always do, and I didn’t think I’d won anything,” he said. “So I went over and checked it. It showed my jackpot win! I was stunned.”

Jellison said that he planned to use some of his winnings to buy a house, and would invest some as well.





Winner Wonderland® Gives Players a Chance at a Cool Quarter-Mil!

Players visited Winner Wonderland for the holiday season – 181 winners shared in the largest Play It Again® holiday prize pool ever with \$640,000 in prizes, including a \$250,000 grand prize.

When players entered a holiday scratch ticket, they automatically received an entry in that ticket’s prize category for \$500, \$1,000 or \$5,000. And, if their ticket entry didn’t win a prize in any of the first 3 regular drawings, that ticket was automatically entered in the \$250,000 grand prize drawing in January.

To enter, players could Play It Again with any nonwinning holiday scratch ticket from Oct. 5, 2020, until January 5, 2021.

Susan Lafler of Iowa City won the \$250,000 grand prize. Lafler received an email from the Iowa Lottery’s promotions manager about her prize win and said she couldn’t believe what she was reading.

“I just thought I won \$1,000. I about dropped the phone when I read it was \$250,000! I was laughing and crying, I was so excited! It was crazy,” Lafler said.

She said she’ll likely use her winnings toward a new home.



Cyclone Faithful Get a Chance to ‘Fly With Cy’

A Powerball® ticket was a chance to win a trip to Las Vegas for players who entered the Fly with Cy promotion.

VIP Club members could Play It Again with Powerball tickets at ialottery.com and via the Lottery’s mobile app June 1 through June 30, 2021.

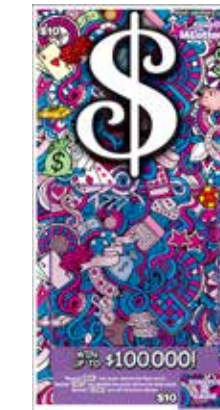
Fifty lucky Iowa Lottery players and their guests won a once-in-a-lifetime VIP experience to Las Vegas. Those 50 players won round-trip airfare for two to Las Vegas on a private chartered flight; a three-night hotel stay at Mandalay Bay Hotel on the Las Vegas Strip; two tickets to the Iowa State vs. University of Nevada Las Vegas football game on Sept. 18, 2021, at Allegiant Stadium, home of the NFL’s Las Vegas Raiders; plus \$1,500 spending cash and co-branded merchandise.

Happy Cyclone fans watched their team defeat the UNLV Rebels 48-3 in the football game on Sept. 18. Some of the 50 winners and their guests are shown here at the game.

Prize Zone Continues to Offer Chance to Enter Promotions Every Day

Iowa Lottery VIP Club members seem to really like the Prize Zone, an ongoing part of our VIP Club that offers players more ways to win when they buy lottery tickets. VIP Club members can enter nonwinning tickets in designated Iowa Lottery games into the Prize Zone all day, every day for a chance to win select prizes tied only to those games.

The Prize Zone sizzled in the summer of 2020 with the Summer Cash Bash promotion offering cash prizes of \$1,000, \$2,000, \$3,000, \$4,000 and \$5,000. Any tickets that didn’t win a prize in a drawing for one of those cash amounts were eligible to win the \$100,000 grand prize. The Lottery kept the heat turned up all summer: Every two weeks during the period of July through September 2020, players could choose from a different group of scratch tickets to enter to win the cash prizes.



The Cash Game scratch game

The Lottery offered cash prizes ranging from \$250 to \$100,000 in Prize Zone promotions held January through June 2021. The Cash Game promotion offered the largest prizes in drawings held in February and March for 10 \$10,000 prizes and a \$100,000 grand prize. To win, players could enter nonwinning \$10 The Cash Game scratch tickets.



VIP Club members could enter Dad Jokes and Win It All scratch tickets in the Prize Zone for a chance to win \$300 cash.

SUMMER CASH BASH



Summer Heats Up With Chance to Win \$1 Million!

A chance for big cash heated up the summer of 2021 as the Million Dollar Summer promotion kicked off on July 12 and ran through Aug. 20.

Players had a chance to Play It Again with any of 15 nonwinning scratch tickets for a chance to win cash prizes of \$5,000, \$10,000, \$20,000, \$30,000 or the grand prize of \$1 million.

The Lottery held special events around the state to showcase the Million Dollar Summer promotion. Players who attended minor-league baseball games in Davenport, Cedar Rapids and Des Moines could buy all of the tickets eligible for the promotion at events held before select games. And on Aug. 20, Iowa Lottery staff were at the Iowa State Fair selling all of its lotto, scratch and InstaPlay products.

Susie Blazek of Delhi won the \$1 million grand prize. She said she was at a local pizza restaurant that evening when she got a call from a friend who said she’d seen Susie’s name as the \$1 million winner on the Iowa Lottery’s website. Blazek said she was so flustered, she asked the waitress at the restaurant to log onto the Lottery’s website and see what it said.

“And she looked, and she said, ‘Susie, it’s true,’” Blazek said. “And then the tears kind of came because I saw how much it was. And then you just kind of go into shock. You can’t believe it.”

Blazek, 57, said, “I plan on retiring on Oct. 8. And then we want to do some traveling. But most of all, I want to be very careful. I want this to be something I can depend on for the rest of my life.”



Our Retail Partners

We're so grateful for our retail partners, whose diligence and support in assisting lottery customers and selling tickets helped us exceed our sales goals. Annual lottery sales commissions to local businesses across Iowa totaled \$29.7 million in FY 2021, a record for traditional lottery products.

Retail Locations Receive New Lottery Terminals



Beginning in May 2021, the lottery's gaming-system vendor, Scientific Games, began installing new point-of-sale terminals to sell lottery tickets at Iowa Lottery retail locations. Staff from the Lottery and Scientific Games were on hand May 11, 2021, at the State Street Hy-Vee in Ankeny as the store became the first lottery retailer in the state to receive a new terminal, known as the Wave VI. The roll-out of new equipment continued across the state through the summer.



Left, Cassie, assistant manager at Casey's in Fort Dodge, is happy to feature the big winnings at her store.



Right, Paul, owner of Quick Shop in Clear Lake, shows off his newest winner sign.



Right, Tony, owner of Wine & Spirits in Washington, is happy about the latest winning ticket sold at his store.



Lynnette and Brittany at Pilot Travel Center in Percival celebrate St. Patrick's Day and the store's latest \$100,000 winner.

Historic Dual Jackpots

Powerball® and Mega Millions® Jackpots Duke It Out in January 2021



The Mega Millions and Powerball jackpots were climbing in mid-January 2021 when this image appeared on the lottery's website.

In January 2021, the Powerball and Mega Millions jackpots simultaneously topped the \$700 million mark for the first time in the games' history.

The Powerball jackpot climbed to \$731.1 million before being won in Maryland on Jan. 20, 2021. The previous Powerball jackpot record had been a \$1.586 billion prize won in California in January 2016.

At about the same time in January, Mega Millions once again exceeded a billion-dollar jackpot, coming in at a whopping \$1.05 billion before being claimed by a four-member lottery club in Michigan in the Jan. 22 drawing. The previous record for a Mega Millions jackpot was a \$1.537 billion prize won in South Carolina in October 2018.

For the first time since January 2016, Iowa Lottery sales exceeded \$50 million in one month - totaling \$54 million in January 2021 - largely due to these huge jackpots.

Sales Reports

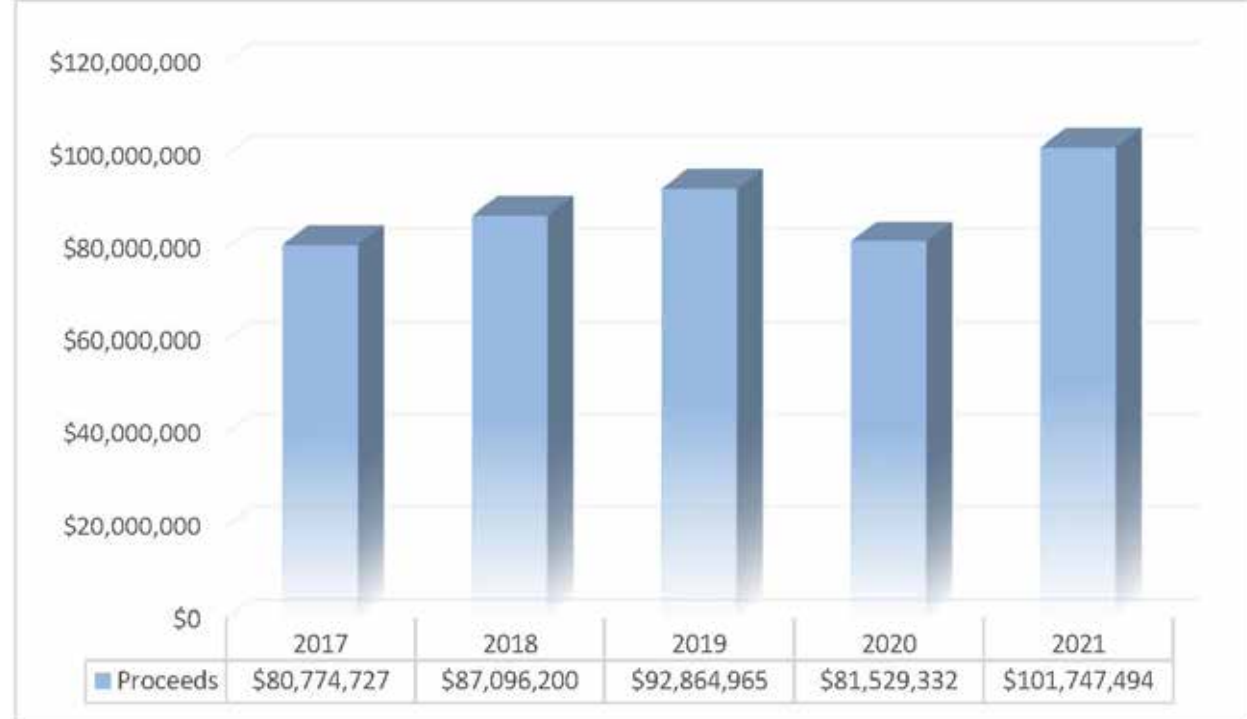
FY 2021 Net Sales By County

County	Net Total Sales
Adair	\$1,349,252
Adams	\$309,680
Allamakee	\$2,057,460
Appanoose	\$2,453,725
Audubon	\$561,264
Benton	\$3,089,600
Black Hawk	\$25,112,675
Boone	\$3,508,945
Bremer	\$2,655,076
Buchanan	\$2,813,478
Buena Vista	\$4,427,844
Butler	\$1,696,300
Calhoun	\$1,137,450
Carroll	\$2,989,609
Cass	\$1,651,378
Cedar	\$2,375,191
Cerro Gordo	\$10,552,268
Cherokee	\$1,801,676
Chickasaw	\$1,911,698
Clarke	\$1,345,279
Clay	\$2,498,132
Clayton	\$2,679,999
Clinton	\$9,298,157
Crawford	\$2,969,843
Dallas	\$7,206,033
Davis	\$544,735
Decatur	\$443,664
Delaware	\$2,314,911
Des Moines	\$6,293,651
Dickinson	\$3,945,521
Dubuque	\$12,163,626
Emmet	\$1,515,192
Fayette	\$2,684,294

County	Net Total Sales
Floyd	\$2,968,775
Franklin	\$1,839,116
Fremont	\$994,142
Greene	\$1,180,550
Grundy	\$1,169,294
Guthrie	\$469,804
Hamilton	\$3,275,585
Hancock	\$1,213,295
Hardin	\$2,754,375
Harrison	\$1,685,892
Henry	\$3,081,543
Howard	\$1,248,304
Humboldt	\$1,876,473
Ida	\$1,192,852
Iowa	\$1,672,275
Jackson	\$3,335,276
Jasper	\$4,652,142
Jefferson	\$2,099,606
Johnson	\$12,443,306
Jones	\$3,476,343
Keokuk	\$1,326,029
Kossuth	\$2,668,483
Lee	\$5,488,303
Linn	\$36,358,705
Louisa	\$1,074,382
Lucas	\$1,262,516
Lyon	\$670,853
Madison	\$1,915,813
Mahaska	\$3,067,444
Marion	\$4,380,233
Marshall	\$7,785,635
Mills	\$1,436,246
Mitchell	\$1,473,884

County	Net Total Sales
Monona	\$1,165,913
Monroe	\$1,425,090
Montgomery	\$1,511,631
Muscatine	\$7,610,562
O'Brien	\$1,648,495
Osceola	\$654,079
Page	\$1,837,470
Palo Alto	\$1,164,994
Plymouth	\$2,454,109
Pocahontas	\$865,031
Polk	\$71,941,796
Pottawattamie	\$13,768,359
Poweshiek	\$2,538,265
Ringgold	\$341,567
Sac	\$1,637,064
Scott	\$27,492,151
Shelby	\$1,152,793
Sioux	\$1,898,156
Story	\$7,132,690
Tama	\$1,872,839
Taylor	\$669,231
Union	\$1,855,194
Van Buren	\$657,193
Wapello	\$8,910,907
Warren	\$5,708,703
Washington	\$2,907,563
Wayne	\$858,912
Webster	\$9,761,003
Winnebago	\$1,920,382
Winneshiek	\$2,318,795
Woodbury	\$12,770,769
Worth	\$1,236,438
Wright	\$3,041,737

5-Year Fiscal Year Proceeds to State



5-Year Fiscal Year Sales



The Iowa Lottery Gives Back

General Fund: \$1,892,443,179— Since 1992, a majority of Lottery profits have been directed into the state general fund, where they are used to pay for programs that benefit all Iowans like education, natural resources, health and family services and public safety. In the Iowa Lottery’s latest fiscal year, it raised more than \$99 million in proceeds that were deposited in the General Fund. The Governor and Iowa Legislature allocate money from the General Fund based on where they believe those funds are needed most.

Iowa Plan: \$170,318,439 — The Iowa Plan was a long-term economic development program. Lottery profits were dedicated to the Plan from FY 1986 through FY 1990.

CLEAN Fund: \$35,894,355 — The CLEAN Fund stood for Committing the Lottery to Environment, Agriculture and Natural Resources. Lottery profits were dedicated to the Fund during FY 1991.

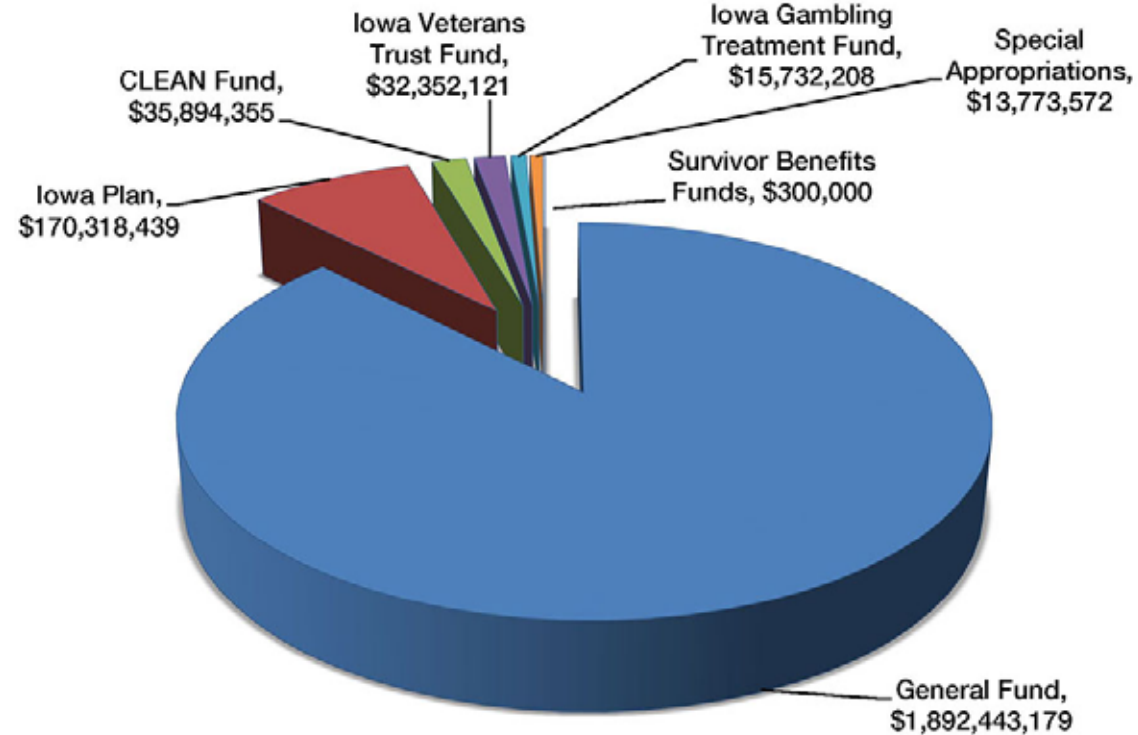
Iowa Veterans Trust Fund \$32,352,121 — Since July 2008, a portion of Lottery proceeds has been dedicated to the Iowa Veterans Trust Fund, where they are used to support our state’s veterans. The Iowa Lottery currently provides \$2.5 million annually in proceeds to the Iowa Veterans Trust Fund. The Iowa Veterans Trust Fund was created to provide assistance to qualified veterans to help pay for expenses such as job training or college tuition assistance; some dental, vision and hearing assistance; and individual or family counseling programs.

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

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

Iowa Survivor Benefits Funds: \$300,000 — Since 2019, a portion of lottery proceeds has been dedicated to the Public Safety Survivor Benefits Fund to help with the cost of accident or health insurance for the families of Iowa peace officers and fire fighters killed in the line of duty. And since 2021, a portion of Lottery proceeds has been dedicated to the Department of Corrections Survivor Benefits Fund to help with those same insurance costs for the families of Iowa Corrections employees who die in the line of duty.

For more information on where Iowa Lottery proceeds go, visit ialottery.com.



Note: All of the amounts listed here are from FY 1986 through the end of FY 2021.

Since 1985, the Lottery has raised more than \$2.1 billion for important state causes.

That money supports everything from veterans and law enforcement to education, parks and conservation, agriculture, and human services. And each year, the Lottery raises millions more to help make Iowa even better. It’s how we play our part. It’s how you can too.

Here is how each \$1 spent on lottery products makes a difference in Iowa (fiscal year 2021 totals).



New Survivor Benefits Fund Added in 2021



In 2021, a new beneficiary was added to the list of causes that receive a portion of annual Iowa Lottery proceeds.

Legislation signed into law on June 8, 2021, created the Department of Corrections Survivor Benefits Fund. It is similar in approach to the Public Safety Survivor Benefits Fund, which was created in 2019.

Through the Benefits Funds, lottery proceeds are used to help with the cost of accident or health insurance for the families of Iowa peace officers, fire fighters and corrections employees killed in the line of duty. Under the law, \$100,000 in annual lottery proceeds is dedicated to each fund.

The Survivor Benefits Funds provide grants to nonprofit organizations that help the families pay for the costs of their ongoing insurance coverage.

Overview & Key Results

The Iowa Lottery was established in 1985 and began ticket sales on Aug. 22 of that year. Since the Lottery's inception, its players have won more than \$4.9 billion in prizes while the Lottery has raised more than \$2.1 billion for the state programs that benefit all Iowans.

The guiding principles of the Iowa Lottery are:

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

Today, lottery proceeds help our state in multiple ways. They help Iowa veterans and their families through the Iowa Veterans Trust Fund. They help the families of Iowa peace officers, firefighters and corrections employees who die in the line of duty. And they provide help for a variety of significant projects through the state General Fund.

The Lottery has approximately 108 employees in the following departments: administration, external relations, finance, marketing, systems, sales and security. That number does not include the board members.

The Lottery's headquarters office is in Clive, and it maintains a warehouse facility in Ankeny and three regional offices in Cedar Rapids, Mason City and Storm Lake. The lottery has four product categories: scratch tickets, pull-tab tickets, InstaPlay and lotto games. Lottery products are sold through approximately 2,400 licensed retailers across Iowa.

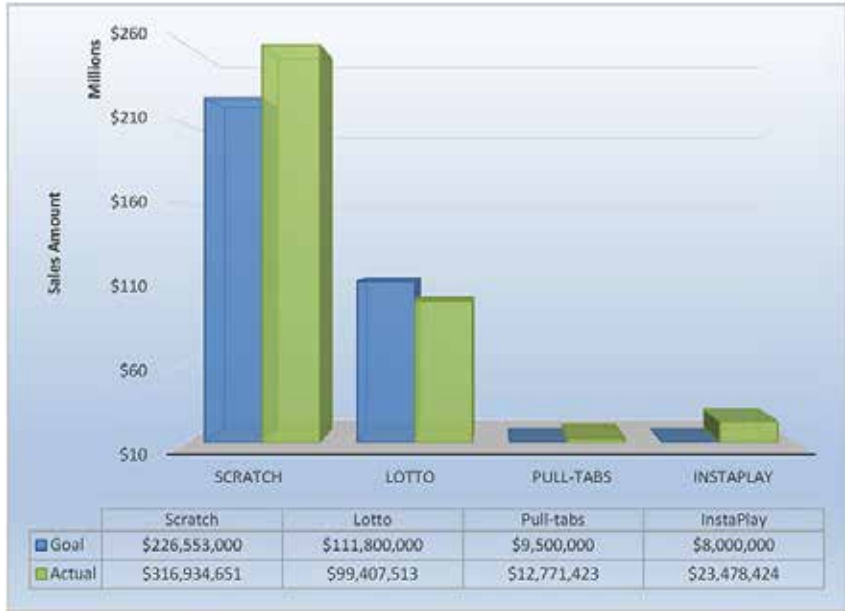
In 2003 the Legislature recognized that as an entrepreneurial entity, the Iowa Lottery could operate more efficiently and established the Iowa Lottery Authority, a public instrumentality of the state. As a result of that change, combined sales for the Lottery's traditional products have continued to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

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

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



Susan Legge of Granger won \$30,000 playing the "Amazing Money" scratch game. She's shown here outside Iowa Lottery headquarters in Clive.



Sales and Distribution

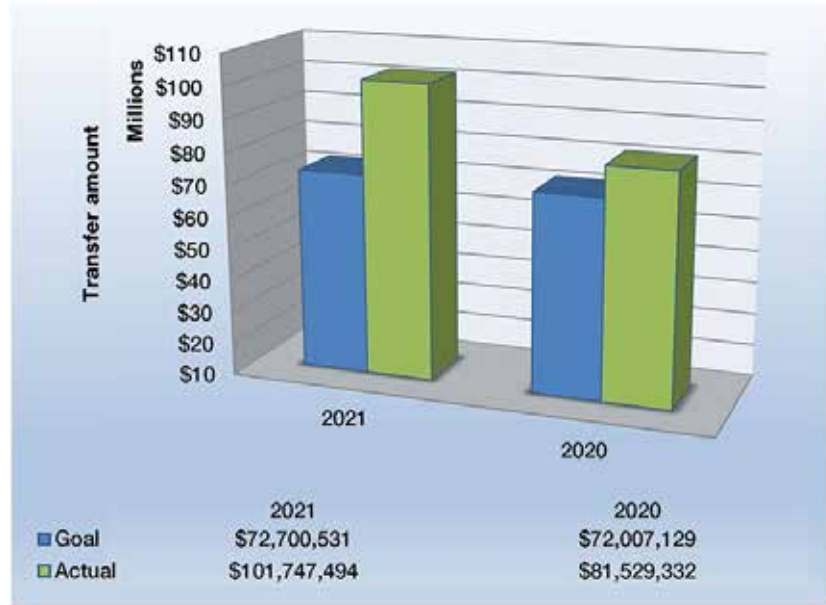
	Goal	Actual
Scratch Tickets	\$226.6M	\$316.9M
Lotto Tickets	\$111.8M	\$99.4M
Pull-tab Tickets	\$9.5M	\$12.8M
InstaPlay Tickets	\$8.0M	\$23.5M

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

Operating & Advertising Budget

	Goal	Actual
Percent of Operating & Advertising Budget to Total Sales	8.5%	4.69%

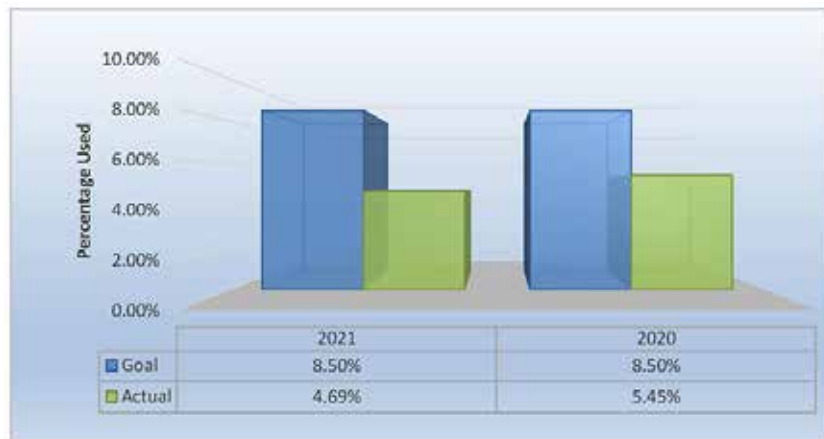
The operating and advertising budget includes all administrative and advertising expenses incurred by the Lottery, but excludes other costs including, but not limited to, prize payments, retailer compensation, lottery system and terminal communications, and instant and pull-tab ticket expense and machine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



Resource Management

	Goal	Actual
Proceeds to the state (General Fund, Veterans Trust Fund and Public Safety & Corrections Survivor Benefits Funds)	\$72.7M	\$101.7M

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



Agency Mission:

"The Iowa Lottery continually strives to deliver value to the State of Iowa by providing entertainment to the public, responsibly maximizing revenues, and maintaining the highest standards of integrity, security, and accountability. The Iowa Lottery is a nonprofit authority that operates the state's lottery in an entrepreneurial and business-like manner, accountable to a public Board of Directors, the Governor, the General Assembly, and the People of the State."

Performance Plan Results

Core Function: Sales & Distribution			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Total Sales	\$355,853,000	\$452,592,011	What Occurred: Total sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Service, Product or Activity:			
Performance Measure	Data Source: Iowa Lottery Financial Reports	Performance Actual	Performance Comments & Analysis
Total Scratch Ticket Sales	\$226,553,000	\$316,934,651	What Occurred: Instant (scratch) ticket sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Total Online Game Sales	\$111,800,000	\$99,407,513	What Occurred: Online (lotto) ticket sales did not meet the goal. Data Source: Iowa Lottery Financial Reports
Total Pull-Tab Sales	\$9,500,000	\$12,771,423	What Occurred: Pull-tab sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Total InstaPlay Sales	\$8,000,000	\$23,478,424	What Occurred: InstaPlay sales exceeded the goal. Data Source: Iowa Lottery Financial Reports
Core Function: Resource Management			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Total Funds Transferred to General Fund, Veterans Fund, and Public Safety & Corrections Survivor Benefits Funds	\$72,700,531	\$101,747,494	What Occurred: Total transfers exceeded the goal. Data Source: Iowa Lottery Financial Reports
Service, Product or Activity:			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of Operating & Advertising Budget* to Total Sales	8.5%	4.69%	What Occurred: Expenses were well controlled and stayed below goal relative to sales. Data Source: Iowa Lottery Financial Reports
Total Funds Transferred to General Fund	\$70,100,531	\$99,047,494	What Occurred: General Fund transfers exceeded the goal. Data Source: Iowa Lottery Financial Reports
Total Funds Transferred to Veterans Trust Fund	\$2,500,000	\$2,500,000	What Occurred: Veterans Trust Fund transfers a set amount. Data Source: Iowa Lottery Financial Reports
Total Funds Transferred to Public Safety & Corrections Survivor Benefits Funds	\$100,000	\$200,000	What Occurred: Public Safety & Corrections Survivor Benefits Funds transfers set amounts (\$100,000 each). Data Source: Iowa Lottery Financial Reports
Core Function: Enforcement & Investigation			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of investigated complaints and indicators of concern regarding lottery products	100%	100%	What Occurred: Complaint investigation goal was met. Data Source: Iowa Lottery Security Department
Service, Product or Activity:			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of requests from law enforcement agencies and county attorney offices responded to by Security Division	100%	100%	What Occurred: Law enforcement assistance goal was met. Data Source: Iowa Lottery Security Department
Percent of requests from other divisions within the Lottery responded to by Security Division	100%	100%	What Occurred: Intra-lottery assistance goal was met. Data Source: Iowa Lottery Security Department
Percent of all lottery retailers that underwent compliance checks during the fiscal year	20%	23%	What Occurred: Compliance check goal was exceeded. Data Source: Iowa Lottery Security Department
Percent of retailers that underwent compliance checks following a complaint	100%	100%	What Occurred: Follow-up compliance check goal was met. Data Source: Iowa Lottery Security Department

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

Financials

Iowa Lottery Authority Statement of Net Position June 30, 2021

Assets

Current assets:	
Cash	\$ 29,382,553
Restricted assets - cash	795,450
Prepaid expense	59,285
Interest receivable	4,117
Accounts receivable, net	5,428,754
Ticket inventories	3,367,165
Investment in prize annuities	59,167
Total current assets	<u>39,096,491</u>
Noncurrent assets:	
Prize reserve	4,739,182
Investment in prize annuities	895,731
Capital assets, net	6,935,145
Total noncurrent assets	<u>12,570,058</u>
Total Assets	<u><u>51,666,549</u></u>

Deferred Outflows of Resources

OPEB related deferred outflows	109,729
Pension related deferred outflows	1,437,714
Total Deferred Outflows of Resources	<u>1,547,443</u>

Liabilities

Current liabilities:	
Lotto prizes payable	5,301,174
InstaPlay Prizes Payable	148,504
Annuity Prizes Payable	59,167
Accounts payable and accruals	27,060,255
Unearned revenue	207,790
Salary and benefits payable	140,238
Compensated absences and OPEB	1,019,691
Total current liabilities	<u>33,936,819</u>
Long-term liabilities:	
Accounts payable and accruals	82,658
Compensated absences and OPEB	2,057,399
Net pension liability	6,530,000
Prize reserve	4,739,182
Annuity prizes payable	895,731
Total long-term liabilities	<u>14,304,970</u>
Total Liabilities	<u><u>48,241,789</u></u>

Deferred Inflows of Resources

OPEB related deferred inflows	174,734
Pension related deferred inflows	395,919
Total Deferred Inflows of Resources	<u>570,653</u>

Net Position

Net investment in capital assets	6,935,145
Unrestricted	(2,533,595)
Total Net Position	<u><u>4,401,550</u></u>

Iowa Lottery Authority Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2021

Operating revenues:	
Instant-scratch ticket sales	\$ 316,934,651
InstaPlay sales	23,478,424
Pick 3 sales	9,540,165
Pick 4 sales	5,470,758
Powerball sales	43,419,695
Mega Millions sales	28,980,779
Lucky for Life sales	5,555,026
Lotto America sales	6,441,090
Pull-tab sales	12,771,423
Application fees	4,700
Other	6,317
Total operating revenues	<u>452,603,028</u>

Operating expenses:

Prizes:	
Instant-scratch ticket	211,664,732
InstaPlay	17,225,460
Pick 3	5,766,802
Pick 4	3,282,455
Powerball	21,710,608
Mega Millions	14,490,389
Lucky for Life	3,535,075
Lotto America	3,220,545
Pull-tab	7,981,163
Total prizes	<u>288,877,229</u>

Retailer compensation	29,694,891
Advertising production and media purchases	7,421,985
Retailer lottery system / terminal communications	6,277,734
Instant / pull-tab ticket expense	3,576,478
Vending machines & maintenance / ticket dispensers	394,430
Courier delivery of tickets	710,983
Other operating expenses	13,827,475
Total operating expenses	<u>350,781,205</u>

Operating income	<u>101,821,823</u>
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Non-operating revenue (expenses):

Proceeds provided to state causes	(101,747,494)
Interest income	59,467
Gain (Loss) on disposal of capital assets	18,400
Net non-operating revenues (expenses)	<u>(101,669,627)</u>

Change in net position	<u>152,196</u>
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Net position beginning of period	<u>4,249,354</u>
Net position end of period	<u><u>4,401,550</u></u>

Some of the numbers in this report are preliminary, as the Iowa Lottery has not yet received final calculations for the Other Post Employment Benefits (OPEB) liability and related deferrals for FY 2021 from the state's actuary. While any changes are expected to be minor, the Lottery will file an updated, final version of this report once it has received the OPEB figures.

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