

**IOWA LOTTERY AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

|  | <u>Quarter ended<br/>September 30, 2014</u> |
|--|---|
| <b>OPERATING REVENUES</b>                    |   |
| Instant-scratch ticket sales                 | \$47,839,903.00                             |
| Pick 3 sales                                 | 1,667,353.50                                |
| Powerball sales                              | 11,407,701.00                               |
| Mega Millions sales                          | 3,762,579.00                                |
| Hot Lotto sales                              | 3,175,908.00                                |
| Pick 4 sales                                 | 759,019.50                                  |
| All or Nothing Sales                         | 1,275,792.00                                |
| Pull-tab sales                               | 4,009,617.74                                |
| Application fees                             | 800.00                                      |
| Other revenue                                | 1,336.88                                    |
| <b>Total operating revenues</b>              | <b><u>73,900,010.62</u></b>                 |
| <b>OPERATING EXPENSES</b>                    |   |
| Scratch ticket prize expense                 | 31,105,639.05                               |
| Pick 3 prize expense                         | 980,672.10                                  |
| Powerball prize expense                      | 5,446,984.50                                |
| Mega Millions prize expense                  | 1,849,789.50                                |
| Hot Lotto prize expense                      | 1,549,867.86                                |
| Pick 4 prize expense                         | 456,787.50                                  |
| All or Nothing prize expense                 | 771,984.25                                  |
| Pull-tab prize expense                       | 2,506,686.28                                |
| VIP Club expense                             | 87,750.97                                   |
| Promotional prize expense                    | 24,610.81                                   |
| Advertising/publicity                        | 1,700,535.06                                |
| Retailer compensation expense                | 4,741,807.99                                |
| Ticket expense                               | 715,506.48                                  |
| Vendor compensation expense                  | 1,487,840.00                                |
| Salary and benefits                          | 2,385,848.39                                |
| Travel                                       | 89,643.84                                   |
| Supplies                                     | 36,117.72                                   |
| Printing                                     | 88.75                                       |
| Postage                                      | 946.58                                      |
| Communications                               | 39,335.32                                   |
| Rentals                                      | 76,776.60                                   |
| Utilities                                    | 53,719.77                                   |
| Professional fees                            | 27,601.97                                   |
| Vending machine maintenance                  | 141,803.81                                  |
| Outside services and repairs                 | 204,543.49                                  |
| Data processing                              | 24,288.60                                   |
| Equipment                                    | 57,491.41                                   |
| Reimbursement to other                       |   |
| state agencies                               | 92,012.03                                   |
| Depreciation                                 | 60,347.51                                   |
| Other  | 25,737.44                                   |
| MUSL administrative expense                  | 26,088.44                                   |
| <b>Total operating expenses</b>              | <b><u>56,768,854.02</u></b>                 |
| <b>Operating income (loss)</b>               | <b><u>17,131,156.60</u></b>                 |
| <b>Non-operating revenues (expenses)</b>     |   |
| Proceeds deposited to:                       |   |
| State General Fund                           | (15,930,604.69)                             |
| Veterans Trust Fund                          | (1,046,539.47)                              |
| Interest income                              | 2,870.46                                    |
| Interest expense                             | (4,172.48)                                  |
| Gain/(Loss) on disposal of capital assets    | (367,766.29)                                |
| <b>Net non-operating revenues (expenses)</b> | <b><u>(17,346,212.47)</u></b>               |
| <b>Change in net position</b>                | <b>(215,055.87)</b>                         |
| Net position, beginning<br>of period         | <u>9,513,855.79</u>                         |
| <b>Net position, end<br/>of period</b>       | <b><u>\$9,298,799.92</u></b>                |