

IOWA LOTTERY AUTHORITY
SCHEDULE OF ECONOMIC BENEFITS

February 28, 2013

| | | |
|--|-----------------|------------------------------------|
| Proceeds to Iowa Plan | | \$170,318,439 |
| Proceeds to CLEAN fund | | \$35,894,355 |
| Proceeds to Special Appropriations | | \$13,773,572 |
| Proceeds to Gambler's Treatment Program | | 15,732,208 |
| Proceeds to the State General Fund: | | |
| Prior to Fiscal Year 2013 | \$1,148,429,496 | |
| Fiscal Year 2013 | | |
| Transferred | 40,121,612 | |
| Payable | 12,908,265 | |
| | <hr/> | 1,201,459,373 |
| Proceeds to the Veterans Trust Fund: | | |
| Prior to Fiscal Year 2013 | \$11,269,796 | |
| Fiscal Year 2013 | | |
| Transferred | 1,057,951 | |
| Payable | 677,760 | |
| | <hr/> | <hr/> 13,005,507 |
| Total | | <hr/> \$1,450,183,454 <hr/> |

IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE MONTH AND YEAR ENDED FEBRUARY 28, 2013

| | Month ended February 28, 2013 | Month ended February 29, 2012 | Year-to-date February 28, 2013 | Year-to-date February 29, 2012 |
|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|
| OPERATING REVENUES | | | | |
| Instant-scratch ticket sales | \$20,270,257 | \$17,522,094 | \$130,259,928 | \$123,286,023 |
| Pick 3 sales | 547,980 | 560,231 | 4,477,695 | 4,374,187 |
| Powerball sales | 4,653,037 | 7,942,466 | 51,440,248 | 38,703,643 |
| Mega Millions sales | 798,806 | 1,149,449 | 8,460,469 | 9,991,960 |
| Hot Lotto sales | 685,404 | 899,468 | 7,334,628 | 7,259,538 |
| Pick 4 sales | 251,240 | 236,911 | 1,996,181 | 1,837,361 |
| \$100,000 Cash Game sales | 340,510 | 365,596 | 2,962,509 | 2,760,119 |
| Pull-tab sales | 1,212,971 | 1,535,953 | 10,869,994 | 11,448,961 |
| Application fees | 400 | 325 | 3,825 | 2,500 |
| Other revenue | 205 | 804 | 9,943 | 169,590 |
| Total operating revenues | 28,760,810 | 30,213,297 | 217,815,420 | 199,833,882 |
| OPERATING EXPENSES | | | | |
| Scratch ticket prize expense | 12,865,460 | 11,268,124 | 82,847,032 | 76,772,719 |
| Pick 3 prize expense | 322,438 | 331,359 | 2,648,487 | 2,588,822 |
| Powerball prize expense | 2,253,659 | 3,911,471 | 24,952,730 | 18,916,286 |
| Mega Millions prize expense | 401,110 | 580,732 | 4,262,683 | 5,034,408 |
| Hot Lotto prize expense | 333,276 | 440,838 | 3,529,760 | 3,537,669 |
| Pick 4 prize expense | 149,224 | 134,211 | 1,171,958 | 1,072,231 |
| \$100,000 Cash Game prize expense | 181,985 | 197,120 | 1,584,688 | 1,341,669 |
| Pull-tab prize expense | 758,487 | 959,454 | 6,803,252 | 7,164,798 |
| VIP Club prize expense | 149,589 | 155,357 | 1,298,220 | 1,253,571 |
| Promotional prize expense | 13,927 | 12,444 | 78,587 | 74,969 |
| Advertising/publicity | 547,377 | 627,593 | 4,040,968 | 4,384,053 |
| Retailer compensation expense | 1,866,255 | 1,902,846 | 14,248,986 | 12,748,165 |
| Ticket expense | 711,198 | 367,845 | 2,531,473 | 2,096,078 |
| Vendor compensation expense | 591,517 | 617,811 | 4,412,167 | 3,972,869 |
| Online game expense | 0 | 0 | 230,088 | 0 |
| Salary and benefits | 715,998 | 729,147 | 6,197,192 | 5,922,036 |
| Travel | 38,216 | 38,956 | 276,317 | 289,085 |
| Supplies | 7,610 | 10,404 | 70,630 | 100,857 |
| Printing | 814 | 29 | 11,925 | 11,856 |
| Postage | 97 | (342) | 5,086 | 4,881 |
| Communications | 12,850 | 9,397 | 97,038 | 83,363 |
| Rentals | 24,975 | 24,705 | 203,975 | 186,807 |
| Utilities | 10,538 | 9,657 | 71,726 | 71,049 |
| Professional fees | 8,997 | 3,009 | 65,296 | 87,216 |
| Vending machine maintenance | 76,456 | 44,818 | 389,241 | 358,721 |
| Outside services and repairs | 41,271 | 21,670 | 197,761 | 160,040 |
| Data processing | 4,571 | 5,578 | 36,321 | 33,564 |
| Equipment | 30,396 | 11,557 | 231,551 | 163,100 |
| Reimbursement to other | | | | |
| state agencies | 19,409 | 29,156 | 274,487 | 278,401 |
| Depreciation | 19,833 | 17,148 | 161,813 | 99,102 |
| Other | 6,164 | 16,707 | 59,208 | 62,295 |
| MUSL administrative expense | 3,087 | 3,759 | 24,700 | 30,070 |
| Total operating expenses | 22,166,784 | 22,482,560 | 163,015,346 | 148,900,750 |
| Operating income (loss) | 6,594,026 | 7,730,737 | 54,800,074 | 50,933,132 |

IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE MONTH AND YEAR ENDED FEBRUARY 28, 2013

| | <u>Month ended</u> <u>February 28, 2013</u> | <u>Month ended</u> <u>February 29,2012</u> | <u>Year-to-date</u> <u>February 28, 2013</u> | <u>Year-to-date</u> <u>February 29,2012</u> |
|--|--|---|---|--|
| Non-operating revenues (expenses) | | | | |
| Proceeds deposited to: | | | | |
| State General Fund | (6,499,139) | (7,373,869) | (53,029,877) | (48,458,121) |
| Veterans Trust Fund | (423,787) | (406,376) | (1,735,711) | (1,975,725) |
| Interest Income | 9,487 | 5,138 | 83,352 | 81,708 |
| Interest expense | (3,010) | (3,284) | (24,060) | (26,272) |
| Net non-operating revenues (expenses) | <u>(6,916,449)</u> | <u>(7,778,391)</u> | <u>(54,706,296)</u> | <u>(50,378,410)</u> |
| Change in net assets | (322,423) | (47,654) | 93,778 | 554,722 |
| Net assets, beginning of period | <u>5,612,161</u> | <u>4,787,115</u> | <u>5,195,960</u> | <u>4,184,739</u> |
| Net assets, end of period | <u>\$5,289,738</u> | <u>\$4,739,461</u> | <u>\$5,289,738</u> | <u>\$4,739,461</u> |