

IOWA LOTTERY AUTHORITY
SCHEDULE OF ECONOMIC BENEFITS

May 31, 2012

| | | |
|--|-----------------|------------------------------------|
| 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 2012 | \$1,072,395,802 | |
| Fiscal Year 2012 | | |
| Transferred | 58,240,950 | |
| Payable | 12,723,858 | |
| | <hr/> | 1,143,360,610 |
| Proceeds to the Veterans Trust Fund: | | |
| Prior to Fiscal Year 2012 | \$8,550,302 | |
| Fiscal Year 2012 | | |
| Transferred | 2,243,513 | |
| Payable | 397,745 | |
| | <hr/> | <hr/> 11,191,560 |
| Total | | <hr/> \$1,390,270,744 <hr/> |

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IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE MONTH AND YEAR ENDED MAY 31, 2012

| | <u>Month ended May 31, 2012</u> | <u>Month ended May 31, 2011</u> | <u>Year-to-date May 31, 2012</u> | <u>Year-to-date May 31, 2011</u> |
|-----------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
| OPERATING REVENUES | | | | |
| Instant-scratch ticket sales | \$16,876,346 | \$14,283,248 | \$174,415,098 | \$151,350,100 |
| Pick 3 sales | 603,967 | 564,155 | 6,183,245 | 6,045,624 |
| Powerball sales | 4,399,274 | 4,186,625 | 52,593,861 | 43,127,449 |
| Mega Millions sales | 1,421,149 | 1,044,477 | 21,043,570 | 14,997,895 |
| Hot Lotto sales | 783,584 | 861,971 | 9,681,074 | 10,721,306 |
| Pick 4 sales | 233,793 | 230,734 | 2,558,598 | 2,488,334 |
| \$100,000 Cash Game sales | 391,078 | 319,618 | 3,941,606 | 3,366,969 |
| Pull-tab sales | 1,598,596 | 1,471,504 | 16,148,819 | 16,871,471 |
| Application fees | 250 | 450 | 3,725 | 4,800 |
| Other revenue | 5,536 | 636 | 177,620 | 137,337 |
| Total operating revenues | 26,313,573 | 22,963,418 | 286,747,216 | 249,111,285 |
| OPERATING EXPENSES | | | | |
| Scratch ticket prize expense | 10,735,155 | 9,494,271 | 108,230,906 | 94,909,417 |
| Pick 3 prize expense | 358,090 | 332,713 | 3,662,887 | 3,580,444 |
| Powerball prize expense | 2,118,374 | 2,008,950 | 25,662,197 | 20,627,155 |
| Mega Millions prize expense | 720,691 | 531,293 | 10,674,531 | 7,821,142 |
| Hot Lotto prize expense | 377,961 | 415,175 | 4,707,243 | 5,176,611 |
| Pick 4 prize expense | 138,091 | 136,410 | 1,498,139 | 1,469,505 |
| \$100,000 Cash Game prize expense | 209,404 | 151,054 | 1,976,824 | 1,593,312 |
| Pull-tab prize expense | 998,282 | 919,352 | 10,108,604 | 10,554,304 |
| VIP Club prize expense | 166,071 | 0 | 1,746,428 | 0 |
| Promotional prize expense | 28,691 | 2,439 | 123,174 | 83,755 |
| Advertising/publicity | 426,450 | 509,856 | 5,934,482 | 6,012,954 |
| Retailer compensation expense | 1,670,820 | 1,489,660 | 18,279,074 | 15,863,141 |
| Ticket expense | 309,894 | 208,533 | 2,886,253 | 2,573,427 |
| Vendor compensation expense | 533,577 | 496,020 | 5,735,414 | 5,369,320 |
| Salary and benefits | 779,216 | 652,119 | 8,215,202 | 7,549,262 |
| Travel | 42,219 | 39,959 | 414,262 | 363,915 |
| Supplies | 19,056 | 13,360 | 135,880 | 93,539 |
| Printing | 224 | (669) | 14,443 | 13,330 |
| Postage | 317 | 320 | 5,949 | 4,786 |
| Communications | 10,256 | 42,313 | 117,399 | 476,370 |
| Rentals | 24,232 | 22,934 | 263,695 | 252,900 |
| Utilities | 7,664 | 8,434 | 91,202 | 97,612 |
| Professional fees | 6,671 | 4,950 | 120,933 | 57,691 |
| Vending machine maintenance | 44,818 | 44,877 | 493,123 | 481,408 |
| Outside services and repairs | 27,691 | 12,541 | 231,042 | 266,691 |
| Data processing | 4,213 | 3,867 | 46,113 | 42,881 |
| Equipment | 88,927 | 94,267 | 345,706 | 305,890 |
| Reimbursement to other | | | | |
| state agencies | 46,356 | 47,233 | 398,559 | 401,562 |
| Depreciation | 18,650 | 10,252 | 154,711 | 106,849 |
| Other | 7,091 | 3,185 | 76,398 | 53,637 |
| MUSL administrative expense | 3,759 | 3,377 | 41,347 | 37,151 |
| Total operating expenses | 19,922,911 | 17,699,045 | 212,392,120 | 186,239,961 |
| Operating income (loss) | 6,390,662 | 5,264,373 | 74,355,096 | 62,871,324 |

IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE MONTH AND YEAR ENDED MAY 31, 2012

| | <u>Month ended May 31, 2012</u> | <u>Month ended May 31, 2011</u> | <u>Year-to-date May 31, 2012</u> | <u>Year-to-date May 31, 2011</u> |
|--|-------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
| Non-operating revenues (expenses) | | | | |
| Proceeds deposited to: | | | | |
| State General Fund | (5,829,479) | (4,814,963) | (70,964,808) | (59,927,861) |
| Veterans Trust Fund | (149,725) | (180,589) | (2,641,258) | (2,952,515) |
| Interest Income | 6,843 | 2,297 | 96,937 | 139,431 |
| Interest expense | (3,284) | (3,557) | (36,124) | (39,134) |
| Net non-operating revenues (expenses) | <u>(5,975,645)</u> | <u>(4,996,812)</u> | <u>(73,545,253)</u> | <u>(62,780,079)</u> |
| Change in net assets | 415,017 | 267,561 | 809,843 | 91,245 |
| Net assets, beginning of period | <u>4,579,565</u> | <u>4,025,623</u> | <u>4,184,739</u> | <u>4,201,939</u> |
| Net assets, end of period | <u><u>\$4,994,582</u></u> | <u><u>\$4,293,184</u></u> | <u><u>\$4,994,582</u></u> | <u><u>\$4,293,184</u></u> |