



# **Arkansas**

## **Scholarship Lottery**

**Lottery Oversight Subcommittee Meeting  
Report from the Office of the Arkansas Lottery for April 2022  
By Executive Director J. Eric Hagler**

# Comparative Income Statements

## April 2022 vs. April 2021

GAAP Basis Income Statement	April 2022	April 2021	Favorable/ (Unfavorable)	Percentage Variance
<b>Revenues</b>				
Instant Games	\$ 43,674,732	\$ 56,648,975	\$ (12,974,243)	-22.9%
Draw Games	8,120,373	8,827,717	(707,344)	-8.0%
Retailer Fees and Other	43,781	43,729	52	0.1%
<b>Total Revenues</b>	<b>51,838,886</b>	<b>65,520,421</b>	<b>(13,681,535)</b>	<b>-20.9%</b>
<b>Operating Expense</b>				
Instant Game Prizes	31,462,100	41,944,709	10,482,609	25.0%
Draw Game Prizes	4,764,865	4,997,733	232,868	4.7%
Retailer Commissions	2,928,693	3,704,430	775,737	20.9%
Gaming Contract Costs	2,379,771	3,118,140	738,369	23.7%
Marketing and Advertising	514,159	625,792	111,633	17.8%
General and Administrative	824,220	1,397,279	573,059	41.0%
<b>Total Operating Expenses</b>	<b>42,873,808</b>	<b>55,788,083</b>	<b>12,914,275</b>	<b>23.1%</b>
<b>Operating Income</b>	<b>8,965,078</b>	<b>9,732,338</b>	<b>(767,260)</b>	<b>-7.9%</b>
Interest Income and Other Income	59,449	70,308	(10,859)	-15.4%
<b>Income Before Transfers</b>	<b>\$ 9,024,527</b>	<b>\$ 9,802,646</b>	<b>\$ (778,119)</b>	<b>-7.9%</b>
<b>Net Proceeds</b>	<b>\$ 8,059,569</b>	<b>\$ 12,299,939</b>	<b>\$ (4,240,370)</b>	<b>-34.5%</b>

Note – Net Proceeds does not include unclaimed prizes amounts.

# Comparative Income Statements

## April 2022 Actual vs. Budget

GAAP Basis Income Statement	April 2022 Actual	April 2022 Budget	Favorable/ (Unfavorable)	Percentage Variance
<b>Revenues</b>				
Instant Games	\$ 43,674,732	\$ 40,000,000	\$ 3,674,732	9.2%
Draw Games	8,120,373	7,092,000	1,028,373	14.5%
Retailer Fees and Other	43,781	41,500	2,281	5.5%
<b>Total Revenues</b>	<b>51,838,886</b>	<b>47,133,500</b>	<b>4,705,386</b>	<b>10.0%</b>
<b>Operating Expense</b>				
Instant Game Prizes	31,462,100	28,880,000	(2,582,100)	-8.9%
Draw Game Prizes	4,764,865	3,905,000	(859,865)	-22.0%
Retailer Commissions	2,928,693	2,657,000	(271,693)	-10.2%
Gaming Contract Costs	2,379,771	2,134,000	(245,771)	-11.5%
Marketing and Advertising	514,159	509,000	(5,159)	-1.0%
General and Administrative	824,220	930,500	106,280	11.4%
<b>Total Operating Expenses</b>	<b>42,873,808</b>	<b>39,015,500</b>	<b>(3,858,308)</b>	<b>-9.9%</b>
<b>Operating Income</b>	<b>8,965,078</b>	<b>8,118,000</b>	<b>847,078</b>	<b>10.4%</b>
<b>Interest Income and Other Income</b>	<b>59,449</b>	<b>25,000</b>	<b>34,449</b>	<b>137.8%</b>
<b>Income Before Transfers</b>	<b>\$ 9,024,527</b>	<b>\$ 8,143,000</b>	<b>\$ 881,527</b>	<b>10.8%</b>
<b>Net Proceeds</b>	<b>\$ 8,059,569</b>	<b>\$ 7,543,000</b>	<b>\$ 516,569</b>	<b>6.8%</b>

Note – Net Proceeds does not include unclaimed prizes amounts.

# Comparative Income Statements

## Year to Date April 30, 2022 vs. April 30, 2021

GAAP Basis Income Statement	Actual YTD 04/30/22	Actual YTD 04/30/21	Favorable/ Unfavorable	Percentage Variance
<b>Revenues</b>				
Instant Games	\$ 402,419,830	\$ 434,751,274	\$ (32,331,444)	-7.4%
Draw Games	83,458,727	86,304,319	(2,845,592)	-3.3%
Retailer Fees and Other	563,726	548,766	14,960	2.7%
<b>Total Revenues</b>	<b>486,442,283</b>	<b>521,604,359</b>	<b>(35,162,076)</b>	<b>-6.7%</b>
<b>Operating Expense</b>				
Instant Game Prizes	291,286,752	315,072,783	23,786,031	7.5%
Draw Game Prizes	46,244,337	47,808,175	1,563,838	3.3%
Retailer Commissions	27,497,301	29,511,416	2,014,115	6.8%
Gaming Contract Costs	23,316,544	24,472,124	1,155,580	4.7%
Marketing and Advertising	5,393,073	6,103,680	710,607	11.6%
General and Administrative	7,889,235	10,836,143	2,946,908	27.2%
<b>Total Operating Expenses</b>	<b>401,627,242</b>	<b>433,804,321</b>	<b>32,177,079</b>	<b>7.4%</b>
<b>Operating Income</b>	<b>84,815,041</b>	<b>87,800,038</b>	<b>(2,984,997)</b>	<b>-3.4%</b>
<b>Interest Income and Other Income</b>	<b>425,117</b>	<b>677,025</b>	<b>(251,908)</b>	<b>-37.2%</b>
<b>Income Before Transfers</b>	<b>\$ 85,240,158</b>	<b>\$ 88,477,063</b>	<b>\$ (3,236,905)</b>	<b>-3.7%</b>
<b>Net Proceeds</b>	<b>\$ 77,386,970</b>	<b>\$ 83,920,346</b>	<b>\$ (6,533,376)</b>	<b>-7.8%</b>

Note – Net Proceeds does not include unclaimed prizes amounts.

# Comparative Income Statements

## Year to Date April 30, 2022 Actual vs. Budget

GAAP Basis Income Statement	Actual YTD 04/30/22	Budget YTD 04/30/22	Favorable/ Unfavorable	Percentage Variance
<b>Revenues</b>				
Instant Games	\$ 402,419,830	\$ 354,600,000	\$ 47,819,830	13.5%
Draw Games	83,458,727	70,917,000	12,541,727	17.7%
Retailer Fees and Other	563,726	423,000	140,726	33.3%
<b>Total Revenues</b>	<b>486,442,283</b>	<b>425,940,000</b>	<b>60,502,283</b>	<b>14.2%</b>
<b>Operating Expense</b>				
Instant Game Prizes	291,286,752	255,456,000	(35,830,752)	-14.0%
Draw Game Prizes	46,244,337	39,268,000	(6,976,337)	-17.8%
Retailer Commissions	27,497,301	24,041,000	(3,456,301)	-14.4%
Gaming Contract Costs	23,316,544	19,286,000	(4,030,544)	-20.9%
Marketing and Advertising	5,393,073	5,578,000	184,927	3.3%
General and Administrative	7,889,235	8,466,000	576,765	6.8%
<b>Total Operating Expenses</b>	<b>401,627,242</b>	<b>352,095,000</b>	<b>(49,532,242)</b>	<b>-14.1%</b>
<b>Operating Income</b>	<b>84,815,041</b>	<b>73,845,000</b>	<b>10,970,041</b>	<b>14.9%</b>
<b>Interest Income and Other Income</b>	<b>425,117</b>	<b>272,000</b>	<b>153,117</b>	<b>56.3%</b>
<b>Income Before Transfers</b>	<b>\$ 85,240,158</b>	<b>\$ 74,117,000</b>	<b>\$ 11,123,158</b>	<b>15.0%</b>
<b>Net Proceeds</b>	<b>\$ 77,386,970</b>	<b>\$ 68,117,000</b>	<b>\$ 9,269,970</b>	<b>13.6%</b>

Note – Net Proceeds does not include unclaimed prizes amounts.

# ADHE Transfer Analysis

Month	2022 Net Proceeds	2022 Unclaimed Prizes	Total Transfer	2022 Budget	Over/Under Budget	Cumulative Balance
July,2021	\$ 8,338,564	\$ 645,750	\$ 8,984,314	\$ 7,025,000	\$ 1,959,314	\$ 1,959,314
August	6,786,604	913,988	\$ 7,700,592	7,105,000	\$ 595,592	\$ 2,554,906
September	9,160,216	126,066	\$ 9,286,282	6,834,000	\$ 2,452,282	\$ 5,007,188
October	7,762,150	127,936	\$ 7,890,086	6,789,000	\$ 1,101,086	\$ 6,108,274
November	7,228,778	915,181	\$ 8,143,959	6,917,000	\$ 1,226,959	\$ 7,335,233
December	7,405,348	1,069,444	\$ 8,474,792	7,459,000	\$ 1,015,792	\$ 8,351,025
January, 2022	7,762,817	1,137,024	\$ 8,899,841	7,636,000	\$ 1,263,841	\$ 9,614,866
February	7,464,560	159,264	\$ 7,623,824	7,871,000	\$ (247,176)	\$ 9,367,690
March	7,418,364	1,196,759	\$ 8,615,123	8,338,000	\$ 277,123	\$ 9,644,813
April	8,059,569	1,055,738	\$ 9,115,307	8,143,000	\$ 972,307	\$ 10,617,120
May						
June						
Sub total	77,386,970	7,347,150	84,734,120	74,117,000		\$ 10,617,120
Reserve for GPW						
Total	\$ 77,386,970	\$ 7,347,150	\$ 84,734,120	\$ 74,117,000		\$ 10,617,120