



STATE OF ARKANSAS
Department of Finance
and Administration

OFFICE OF THE ARKANSAS LOTTERY

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April 30, 2024

The Honorable Ronald Caldwell, Co-Chair
The Honorable Mindy McAlindon, Co-Chair
Arkansas Legislative Council – Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

Re: Proposed Fiscal Year 2025 Annual Budget.

Dear Senator Caldwell and Representative McAlindon:

On behalf of the Arkansas Department of Finance and Administration-Office of the Arkansas Lottery, please accept the attached Proposed FY2025 Annual Budget pursuant to A.C.A § 23-115-206(a)(10)(A). The following information is provided:

1. Arkansas Planning Budgeting and Administrative System Form (Enclosure 1);
2. Budget Detail Schedule (Enclosure 2);
3. Compensation and Benefits (Enclosure 3);
4. Detailed Schedule of General and Administrative Expenses (Enclosure 4);

I am available to you if you have any questions or desire additional information.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jerold Fetzer".

Jerold Fetzer,
Chief Fiscal Officer

Enclosures

cc: Mr. Jim Hudson, Secretary of the Department of Finance and Administration
Mr. Robert Brech, Director of Budget, Office of Budget

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM

Appropriation Summary

Appropriation:

613U - DFA Ofc of Arkansas Lottery

Funding Sources:

Appropriation		2022-2023	2023-2024	2023-2024	2024-2025		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	\$4,049,341	\$4,249,567	\$4,249,567		\$4,489,439	
#Positions			67	67		69	
Personal Services Matching	5010003	\$1,101,477	\$1,750,433	\$1,750,433		\$1,860,561	
Operating Expenses	5020002	\$2,111,803	\$684,000	\$684,000		\$804,000	
Conference & Travel Expenses	5050009	\$240,171	\$348,000	\$348,000		\$325,000	
Professional Fees	5060010	\$1,302,240	\$1,269,000	\$1,269,000		\$1,013,000	
Data Processing	5090012	\$410,746	\$414,000	\$414,000		\$321,000	
Instant Games	5900046	\$346,188,840	\$340,280,000	\$340,280,000		\$342,019,000	
On-Line Games	5900047	\$70,731,337	\$53,504,000	\$53,504,000		\$54,351,000	
Retailer Commissions	5900048	\$34,300,134	\$32,088,000	\$32,088,000		\$32,200,000	
Gaming Contracts	5900049	\$31,867,750	\$28,396,000	\$28,396,000		\$28,781,000	
Advertising & Promotions	5900050	\$7,146,036	\$6,500,000	\$6,500,000		\$6,950,000	
Capital Outlay	5120011	\$699,663	\$700,000	\$700,000		\$462,000	
Total		\$500,149,538	\$470,183,000	\$470,183,000		\$473,576,000	

Funding Sources							
Instant Gaming		\$476,578,850	\$470,000,000			\$471,100,000	
Online Games		\$130,982,275	\$97,280,000			\$98,820,000	
Retailer Applications & Fees		\$661,871	\$640,000			\$670,000	
Non Gaming Revenue		\$6,195	\$2,000			\$2,000	
Other Income		\$0	\$0			\$0	
Interest Income		\$2,482,459	\$3,000,000			\$9,700,000	
Interest Expense		(\$16,207)	(\$16,000)			(\$10,000)	
Transfer to Department of Health		\$0	\$0			\$0	
Transfer to ADHE Scholarship Trust		(\$103,002,743)	(\$92,300,000)			(\$97,700,000)	
Transfer to ADHE Workforce Challenge Trust		\$0	\$0			\$0	
Transfer to Unclaimed Prizes Reserve		(\$10,004,003)	(\$8,400,000)			(\$9,000,000)	
Bond Reserve in Excess of \$500,000		(\$84,646)	\$0			\$0	
Total Funding		\$497,604,051	\$470,206,000			\$473,582,000	
Excess Appropriation/(Funding)		\$2,545,487	(\$23,000)			(\$6,000)	
Grand Total		\$500,149,538	\$470,183,000			\$473,576,000	

DFA Office of the Arkansas Lottery (BA 0613)
Budget Detail Schedule
For the Fiscal Year Ending June 30, 2025

	<u>FY2023 Audited</u>	% of Revenue	<u>FY 2024 Budget</u>	% of Revenue	<u>FY 2025 Budget</u>	% of Revenue	Explanation for Changes
Operating Revenues:							
Instant ticket revenues	\$ 476,580,600	78.36%	\$ 470,000,000	82.76%	\$ 471,100,000	82.56%	Increase based on FY2024 actual
Online ticket revenues	131,151,450	21.56%	97,930,000	17.24%	99,320,000	17.41%	Increase based on FY2024 actual
Less: Promotions discount	(170,925)	-0.03%	(650,000)	-0.11%	(500,000)	-0.09%	Decrease based on FY2024 actual
Retailer application and bonding fees	661,871	0.11%	640,000	0.11%	670,000	0.12%	Increase based on FY2024 actual
Other revenue	6,195	0.01%	2,000	0.00%	2,000	0.00%	No change expected for other revenue
Total Operating Revenues	<u>608,229,191</u>	<u>100.01%</u>	<u>567,922,000</u>	<u>100.00%</u>	<u>570,592,000</u>	<u>100.00%</u>	
Operating Expenses:							
Instant games prizes	346,188,839	56.92%	340,280,000	59.92%	342,019,000	59.94%	Increase is consistent with the expected increase in instant ticket revenues
Online games prizes	70,731,337	11.63%	53,504,000	9.42%	54,351,000	9.53%	Increase is consistent with the expected increase in online ticket revenues
Retailer commissions	34,300,134	5.64%	32,088,000	5.65%	32,200,000	5.64%	Increase is consistent with the expected overall increase in ticket revenues
Gaming contract costs	31,867,750	5.24%	28,396,000	5.00%	28,781,000	5.04%	Increase is consistent with the expected overall increase in ticket revenues
Staff compensation & benefits	5,150,818	0.85%	6,000,000	1.06%	6,350,000	1.11%	Increase reflects an estimated increase of 5%
Advertising and marketing	7,146,036	1.17%	6,500,000	1.14%	6,950,000	1.22%	Increase due to OAL website rebuild
General and administrative expenses	2,762,721	0.45%	1,446,000	0.25%	1,450,000	0.25%	Consistent with FY2024 budget
Services provided by other agencies:	1,302,240	0.21%	1,269,000	0.22%	1,013,000	0.18%	Decrease due to reduction of ADHE expenses for FY2025
Depreciation and amortization	699,663	0.12%	700,000	0.12%	462,000	0.08%	Decrease due to reduction in fixed assets
Total Operating Expenses	<u>500,149,538</u>	<u>82.23%</u>	<u>470,183,000</u>	<u>82.79%</u>	<u>473,576,000</u>	<u>83.00%</u>	
Operating Income	108,079,653	17.77%	97,739,000	17.21%	97,016,000	17.00%	
Non-Operating Revenue (Expense):							
Interest income	2,482,459	0.41%	3,000,000	0.53%	9,700,000	1.70%	Increase based on interest rate negotiations with Bank OZK
Interest expense	(16,207)	0.00%	(16,000)	0.00%	(10,000)	(0.00)	Decrease is consistent with remaining useful life of operating lease
Income before Transfers	<u>\$ 110,545,905</u>	<u>18.18%</u>	<u>\$ 100,723,000</u>	<u>17.74%</u>	<u>\$ 106,706,000</u>	<u>18.70%</u>	
Transfers To:							
Scholarship Trust Account	(103,002,743)	-16.93%	(92,300,000)	-16.25%	(97,700,000)	-17.12%	This is the expected amount of monthly transfers of Net Proceeds for scholarships in FY2025
Unclaimed Prizes (transferred at June 30)	(10,004,003)	-1.64%	(8,400,000)	-1.48%	(9,000,000)	-1.58%	This amount is for Unclaimed Prizes, which by statute, are transferred to Net Proceeds on June 30 of each fiscal year
Bond Reserve in Excess of \$500,000	(84,646)	(0.00)	-	0.00%	-	0.00%	Per OAL rules, on June 30 of each fiscal year, any Bond Reserve excess over \$500,000, is transferred to Net Proceeds
Total Transfers to ADHE	<u>(113,091,392)</u>	<u>-18.59%</u>	<u>(100,700,000)</u>	<u>-17.73%</u>	<u>(106,700,000)</u>	<u>-18.70%</u>	
Change in Net Assets	<u>(\$ 2,545,487)</u>	<u>-0.42%</u>	<u>\$ 23,000</u>	<u>0.00%</u>	<u>\$ 6,000</u>	<u>0.00%</u>	

**DFA - Office of Arkansas Lottery
Compensation
Budget F2025**

Career Grades	Position Title	Race	Adj Budgeted Gross	Annual Taxes (7.65%)	Annual APERS (15.32%)	Total Compensation ¹
GS04	OAL CLAIMS ASSISTANT	BF	37,399.26	2,861.04	5,729.57	45,989.87
GS04	OAL CLAIMS ASSISTANT	CF	38,492.56	2,944.68	5,897.06	47,334.30
GS05	OAL LICENSING SPECIALIST	CM	41,680.77	3,188.58	6,385.49	51,254.84
GS05	OAL LICENSING SPECIALIST	CF	42,964.96	3,286.82	6,582.23	52,834.01
GS05	OAL LICENSING SPECIALIST	BM	44,475.63	3,402.39	6,813.67	54,691.68
GS06	ADMINISTRATIVE ANALYST	BF	37,962.73	2,904.15	5,815.89	46,682.77
GS06	OAL SECURITY SPECIALIST	CM	37,962.73	2,904.15	5,815.89	46,682.77
GS06	OAL SECURITY SPECIALIST	CM	37,962.73	2,904.15	5,815.89	46,682.77
GS06	OAL FISCAL SPECIALIST	BF	40,831.19	3,123.59	6,255.34	50,210.12
GS06	ADMINISTRATIVE ANALYST	CF	43,762.55	3,347.84	6,704.42	53,814.81
GS06	OAL SECURITY SPECIALIST	CM	47,137.49	3,606.02	7,221.46	57,964.97
GS07	OAL PUBLICATION SPECIALIST	BF	42,356.94	3,240.31	6,489.08	52,086.33
GS07	OAL MARKETING SALES REP	CM	42,356.94	3,240.31	6,489.08	52,086.33
GS07	OAL MARKETING SALES REP	CF	42,356.94	3,240.31	6,489.08	52,086.33
GS07	OAL MARKETING SALES REP	CF	42,356.94	3,240.31	6,489.08	52,086.33
GS07	OAL MARKETING SALES REP	CM	44,402.90	3,396.82	6,802.52	54,602.25
GS07	OAL MARKETING SALES REP	CF	45,364.31	3,470.37	6,949.81	55,784.49
GS07	OAL MARKETING SALES REP	CF	45,364.31	3,470.37	6,949.81	55,784.49
GS07	OAL MARKETING SALES REP	BF	47,546.12	3,637.28	7,284.07	58,467.46
GS07	OAL MARKETING SALES REP	CF	48,831.84	3,735.64	7,481.04	60,048.51
GS07	OAL MARKETING SALES REP	CF	49,480.05	3,785.22	7,580.34	60,845.62
GS07	OAL LICENSING MANAGER	CF	49,950.26	3,821.20	7,652.38	61,423.84
GS07	OAL MARKETING SALES REP	CF	50,268.04	3,845.50	7,701.06	61,814.60
GS07	OAL MARKETING SALES REP	CF	50,268.04	3,845.50	7,701.06	61,814.60
GS07	OAL CLAIMS CENTER MANAGER	BF	50,852.70	3,890.23	7,790.63	62,533.56
GS07	OAL MARKETING SALES REP	BM	52,400.06	4,008.60	8,027.69	64,436.36
GS07	OAL MARKETING SALES REP	BF	52,937.10	4,049.69	8,109.96	65,096.76
GS07	OAL MARKETING SALES REP	CF	52,968.77	4,052.11	8,114.82	65,135.70
GS07	OAL MARKETING SALES REP	CF	53,730.99	4,110.42	8,231.59	66,073.00
GS07	OAL MARKETING SALES REP	OM	53,730.99	4,110.42	8,231.59	66,073.00
GS07	OAL MARKETING SALES REP	BF	53,730.99	4,110.42	8,231.59	66,073.00
GS07	OAL MARKETING SALES REP	CM	53,730.99	4,110.42	8,231.59	66,073.00
GS07	OAL GRAPHIC SPECIALIST	CM	54,106.42	4,139.14	8,289.10	66,534.66
GS08	OAL SENIOR SECURITY SPECIALIST	CF	47,260.45	3,615.42	7,240.30	58,116.17
GS08	PROCUREMENT COORDINATOR	BF	50,471.37	3,861.06	7,732.21	62,064.64
GS08	OAL ACCOUNTANT	CF	57,925.58	4,431.31	8,874.20	71,231.09
GS08	OAL COLLECTIONS SPECIALIST	CM	60,988.85	4,665.65	9,343.49	74,997.99
GS08	BUSINESS OPERATIONS MANAGER	BF	62,117.55	4,751.99	9,516.41	76,385.95
GS08	OAL OFFICE COORDINATOR	CF	64,768.48	4,954.79	9,922.53	79,645.80
GS10	OAL FINANCIAL ANALYST	CM	65,792.78	5,033.15	10,079.45	80,905.38
GS10	OAL PRODUCT MANAGER	CF	67,108.64	5,133.81	10,281.04	82,523.49
GS10	OAL PRODUCT MANAGER	CF	71,642.62	5,480.66	10,975.65	88,098.93
GS10	OAL PRODUCT MANAGER	CM	76,659.93	5,864.48	11,744.30	94,268.72
GS11	OAL KEY CHAIN ACCOUNT MANAGER	CF	70,319.12	5,379.41	10,772.89	86,471.42
GS11	OAL REGIONAL SALES MANAGER	CF	73,808.28	5,646.33	11,307.43	90,762.04
GS11	OAL REGIONAL SALES MANAGER	CM	81,000.84	6,196.56	12,409.33	99,606.74
GS12	OAL CONTROLLER	CM	93,903.26	7,183.60	14,385.98	115,472.84
GS12	OAL TREASURER	CF	98,251.83	7,516.26	15,052.18	120,820.27
GS15	OAL SALES DIRECTOR	BM	109,738.58	8,395.00	16,811.95	134,945.53
GS15	OAL CHIEF LEGAL COUNSEL	CM	138,821.37	10,619.83	21,267.43	170,708.64
GS15	OAL CHIEF FISCAL OFFICER	OM	146,167.26	11,181.80	22,392.82	179,741.87
IT01	OAL COMPUTER OPERATOR	BM	37,484.86	2,867.59	5,742.68	46,095.14
IT01	OAL COMPUTER OPERATOR	CM	39,253.47	3,002.89	6,013.63	48,270.00
IT02	OAL APPLICATION SUPP SPECIALIST	CM	53,380.02	4,083.57	8,177.82	65,641.41
IT04	OAL LEAD COMPUTER OPERATOR	CM	67,716.66	5,180.32	10,374.19	83,271.18
IT06	OAL IT SECURITY ANALYST	BM	67,871.08	5,192.14	10,397.85	83,461.06
IT07	INFORMATION SYSTEMS SECURITY SPECIALIST	CM	83,093.78	6,356.67	12,729.97	102,180.42
IT07	OAL QA SYSTEMS ANALYST	OM	87,474.44	6,691.79	13,401.08	107,567.32
IT07	OAL SR. DATABASE ADMINISTRATOR	CM	93,201.76	7,129.93	14,278.51	114,610.20
IT08	OAL DEPUTY IT GAMING DIRECTOR	BF	101,964.19	7,800.26	15,620.91	125,385.36
SE01	OAL INTERNAL AUDITOR	CM	138,666.09	10,607.96	21,243.64	170,517.69
SE04	OAL GAMING DIRECTOR	CM	200,103.76	15,307.94	30,655.90	246,067.59
Total			\$ 3,979,039.04	\$ 304,396.49	\$ 609,588.78	\$ 4,893,024.31

Total employees = 63

Employee breakdown

BF=black female	11
BM=black male	5
CF=caucasian female	23
CM=caucasian male	21
OM=other minority	3
	<u>63</u>

By group/gender

Employer Health Premium	See assumptions	\$ 486,500.00
Unemployment Compensation	See assumptions	\$ 7,000.00
Workers' Compensation	See assumptions	\$ 1,600.00
Workers' Compensation Premium Tax	See assumptions	\$ 1,200.00
Other Post Employment Benefits		\$ 275,000.00
Vacant Positions	See Assumptions	\$ 630,000.00
Career Service Bonuses	Career Service tab	\$ 30,300.00
Subtotal		<u>\$ 6,324,624.31</u>

Use for Budget **\$ 6,350,000.00**

¹ Based on staff positions as of 04/15/2024

Assumptions

Other Compensation Benefits

Employer Health Premiums= \$605 per covered employee (referred to as State Match)

Avg monthly= 67 employees @ \$605= \$40,535 (\$40,535 x 12 months)= \$486,420; (Rounded for budget \$486,500)

Unemployment Compensation = \$1,428 paid quarterly in FY23 = \$5,712

FY25 Budgeted amount = \$5,712 + 20% = \$6,854 (Rounded for budget \$7,000)

Worker's Compensation = \$1,290 paid in FY24

FY25 Budgeted amount = \$1,290 + 20% = \$1,548 (Rounded for budget \$1,600)

WC Premium Tax Calendar Year 2023= \$4,080,359.76 x .000264= \$1,077.21 (annual fee)

FY25 Budgeted amount = \$1,077 + 10% = \$1,184 (Rounded for budget \$1,200)

Career Service is given to employees with at least 10 years of service.

31 full time employees

0 part time employees. Part time employees are based on a % of hours worked.

Vacant Positions (Included in FY2025 Compensation)¹

Career Grade	Position Title	Base	Midpoint	Max
GS07	OAL MARKETING SALES REP	\$ 40,340.00	\$ 49,416.00	\$ 58,493.00
GS08	OAL AUDITOR	\$ 45,010.00	\$ 55,137.00	\$ 65,265.00
GS12	OAL SECURITY DEPUTY DIR	\$ 69,776.00	\$ 85,475.00	\$ 101,175.00
GS14	OAL DIR SECURITY & COMPLIANCE	\$ 86,887.00	\$ 106,436.00	\$ 125,986.00
GS14	OAL MARKETING & ADVERTISING DIR	\$ 86,887.00	\$ 106,436.00	\$ 125,986.00
SE04	OAL DIRECTOR	\$ 149,862.00	\$ 165,681.00	\$ 181,500.00
		<u>\$ 328,900.00</u>	<u>\$ 568,581.00</u>	<u>\$ 658,405.00</u>
	Salaries	\$ 510,400.00	(5 @ base; OAL Director position @ max)	
	Employer taxes	\$ 39,045.60		
	APERS	\$ 78,193.28		
	Total budget	<u>\$ 627,638.88</u>		
		\$ 630,000.00	Use for Budget	

¹ Based on staff positions as of 04/15/2024

23-115-306. Special Salary allowances

(a) With the approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, the Governor may establish the salary of the Director of the Office of the Arkansas Lottery, the salary of the office's gaming director, and the salary of the office's internal auditor that is up to fifty percent (50%) above the maximum pay level for the grade assigned to the title.

(b) With approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, the Director of the Office of the Arkansas Lottery may establish salaries that exceed the maximum pay level for the grade assigned to the title by no more than twenty-five percent (25%) for no more than ten percent (10%) of the positions authorized in 23-115-305.

(c) Salaries established under this section above the maximum pay level for the grade assigned to the title shall be approved by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee.

(d) (1) The requirement of approval by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, before granting a special salary allowance under this section is not a severable part of this section.

(d) (2) If the requirement of approval by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, is ruled unconstitutional by a court of competent jurisdiction, this section is void.

Career Service

Career Service Date	Position ¹	Years of Service	Eligibility Date	Career Service Payment
01/14/15	OAL PRODUCT MANAGER	10	01/14/15	800.00
12/21/14	OAL LICENSING MANAGER	10	12/21/14	800.00
03/31/14	OAL MARKETING SALES REP	11	03/31/14	800.00
05/26/13	OAL FISCAL SPECIALIST	12	05/26/13	800.00
01/12/13	PROCUREMENT COORDINATOR	12	01/12/13	800.00
11/29/11	OAL CHIEF FISCAL OFFICER	13	11/29/11	800.00
05/31/11	OAL IT SECURITY ANALYST	14	05/31/11	800.00
11/24/10	INFORMATION SYSTEMS SECURITY SPECIALIST	14	11/24/10	800.00
08/16/10	OAL MARKETING SALES REP	14	08/16/10	800.00
02/08/10	OAL COLLECTIONS SPECIALIST	15	02/08/10	1,000.00
07/24/09	OAL GAMING DIRECTOR	15	07/24/09	1,000.00
04/19/10	OAL PRODUCT MANAGER	15	04/19/10	1,000.00
09/07/09	OAL QA SYSTEMS ANALYST	15	09/07/09	1,000.00
08/24/09	OAL REGIONAL SALES MANAGER	15	08/24/09	1,000.00
08/19/09	OAL REGIONAL SALES MANAGER	15	08/19/09	1,000.00
08/07/09	OAL SALES DIRECTOR	15	08/07/09	1,000.00
08/31/09	OAL DEPUTY IT GAMING DIRECTOR	15	08/31/09	1,000.00
09/08/09	OAL LEAD COMPUTER OPERATOR	15	09/08/09	1,000.00
08/26/09	OAL MARKETING SALES REP	15	08/26/09	1,000.00
08/26/09	OAL MARKETING SALES REP	15	08/26/09	1,000.00
08/26/09	OAL MARKETING SALES REP	15	08/26/09	1,000.00
09/10/09	OAL MARKETING SALES REP	15	09/10/09	1,000.00
09/10/09	OAL MARKETING SALES REP	15	09/10/09	1,000.00
07/27/08	OAL CHIEF LEGAL COUNSEL	16	07/27/08	1,000.00
03/28/09	OAL SENIOR SECURITY SPECIALIST	16	03/28/09	1,000.00
03/24/08	OAL CONTROLLER	17	03/24/08	1,000.00
07/17/06	OAL APPLICATION SUPP SPECIALIST	18	07/17/06	1,000.00
06/06/05	OAL OFFICE COORDINATOR	20	06/06/05	1,200.00
12/10/03	OAL MARKETING SALES REP	21	12/10/03	1,200.00
01/21/02	OAL SR. DATABASE ADMINISTRATOR	23	01/21/02	1,200.00
03/23/96	OAL MARKETING SALES REP	29	03/23/96	1,500.00
FY 2025 Total:				30,300.00

31 employees eligible

31 full time

0 part time

¹ Based on staff positions as of 04/15/2024

DFA Office of the Arkansas Lottery
Detail Schedule of General & Administrative Expenses
For Budget Fiscal Year 2025

Account	Estimated FY2025 Budget	General Description
<u>Operating & Admin. Expenses</u>		
Lease expense (GASB 87)	\$ 177,000	Building lease expense
Office parking	29,000	LR building parking
Retailer background checks	5,000	Background checks for new retailers
Maintenance & repairs	40,000	Building maintenance and repair
Lottery vehicle expenses	15,000	Add 1 security and 1 pool vehicle
Postage & freight	14,000	Postage & package delivery
Office supplies & expense	25,000	Office supplies, small furn & equip, PPE
Office expense	10,000	General office expense, uniforms
Dues and memberships- lottery industry	30,000	Lottery organization memberships & fees
Dues and memberships	6,000	Professional licenses and association dues
Subscriptions and publications	4,000	Thomson-Reuters, Demozette, etc.
Insurance	14,000	Includes property, vehicle, crime
Problem gambling expense	30,000	Problem gambling hotline costs
Legal and professional services	3,000	Legal fees
Other operating expenses	2,000	Other administrative expenses
Est. DFA expense charge back	50,000	DFA allocation for support services
Uniforms	20,000	
Sub-total for Oper. & Admin. Exp.	\$ 474,000	
<u>Data Processing Expenses</u>		
Equipment-Low Value (Data Proc.)	60,000	Primarily PCs, laptops, Ipad replacements
Equipment Lease	0	Copiers
Data processing supplies	5,000	Data supplies - toner
Data Processing support other	106,000	DIS and other data processing support
Software licenses and fees	60,000	Data processing licenses & software
Telephone (VOIP)	30,000	Paid to DIS for phones and communications
Mobil Telephones	60,000	Cell phones & I pads
Sub-total for Data Processing Expenses	\$ 321,000	
<u>Conferences & Travel Expenses</u>		
Travel and mileage expense	85,000	Airfare, lodging, meals, etc.
MSR mileage expense	225,000	MSR mileage reimbursements
Education and training	15,000	Conferences and training costs
Sub-total for Oper. & Admin. Exp.	\$ 325,000	
<u>Retailer Support/Events</u>		
Retailer communications	70,000	Retailer newsletter
Retailer support	70,000	Other retailer point of sale/other
Signage / Street Talkers	110,000	Signage
Sub-total for Retailer Support/Events	\$ 250,000	
<u>Consulting Costs</u>		
Consulting services	80,000	Consulting services
Sub-total for Consulting Costs	\$ 80,000	
Total General & Administrative Expenses	\$ 1,450,000	

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM

Appropriation Summary

Appropriation: 613U - DFA Ofc of Arkansas Lottery

Funding Sources:

Appropriation		2022-2023	2023-2024	2023-2024	2024-2025		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	\$4,049,341	\$4,249,567	\$4,249,567		\$4,489,439	
#Positions			67	67		69	
Personal Services Matching	5010003	\$1,101,477	\$1,750,433	\$1,750,433		\$1,860,561	
Operating Expenses	5020002	\$2,111,803	\$684,000	\$684,000		\$804,000	
Conference & Travel Expenses	5050009	\$240,171	\$348,000	\$348,000		\$325,000	
Professional Fees	5060010	\$1,302,240	\$1,269,000	\$1,269,000		\$1,013,000	
Data Processing	5090012	\$410,746	\$414,000	\$414,000		\$321,000	
Instant Games	5900046	\$346,188,840	\$340,280,000	\$340,280,000		\$342,019,000	
On-Line Games	5900047	\$70,731,337	\$53,504,000	\$53,504,000		\$54,351,000	
Retailer Commissions	5900048	\$34,300,134	\$32,088,000	\$32,088,000		\$32,200,000	
Gaming Contracts	5900049	\$31,867,750	\$28,396,000	\$28,396,000		\$28,781,000	
Advertising & Promotions	5900050	\$7,146,036	\$6,500,000	\$6,500,000		\$6,950,000	
Capital Outlay	5120011	\$699,663	\$700,000	\$700,000		\$462,000	
Total		\$500,149,538	\$470,183,000	\$470,183,000		\$473,576,000	
Funding Sources							
Instant Gaming		\$476,578,850	\$470,000,000			\$471,100,000	
Online Games		\$130,982,275	\$97,280,000			\$98,820,000	
Retailer Applications & Fees		\$661,871	\$640,000			\$670,000	
Non Gaming Revenue		\$6,195	\$2,000			\$2,000	
Other Income		\$0	\$0			\$0	
Interest Income		\$2,482,459	\$3,000,000			\$9,700,000	
Interest Expense		(\$16,207)	(\$16,000)			(\$10,000)	
Transfer to Department of Health		\$0	\$0			\$0	
Transfer to ADHE Scholarship Trust		(\$103,002,743)	(\$92,300,000)			(\$97,700,000)	
Transfer to ADHE Workforce Challenge Trust		\$0	\$0			\$0	
Transfer to Unclaimed Prizes Reserve		(\$10,004,003)	(\$8,400,000)			(\$9,000,000)	
Bond Reserve in Excess of \$500,000		(\$84,646)	\$0			\$0	
Total Funding		\$497,604,051	\$470,206,000			\$473,582,000	
Excess Appropriation/(Funding)		\$2,545,487	(\$23,000)			(\$6,000)	
Grand Total		\$500,149,538	\$470,183,000			\$473,576,000	