



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

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November 13, 2015

The Honorable Jimmy Hickey, Chair
The Honorable Chris Richey, Chair
Arkansas Legislative Council Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: A.C.A. § 23-115-302 Report dated November 10, 2015

Gentlemen:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the enclosed revised Statement of Revenue, Expense, and Change in Net Position, which replaces item number 1 of the above referenced Report. The original Statement contained a formatting error which deleted the footnote at the bottom of the page. The revision returns the footnote to its rightful place; there are no other substantive changes to the document.

Please call me if you have any questions or need additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bishop Woosley".

Bishop Woosley
Director

Enclosure

cc: The Honorable Asa Hutchinson, Governor
Mr. Larry Walther, Director, Arkansas Department of Finance and Administration

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses, and Change in Net Position
For Year Ended June 30, 2015**

Operating revenues:	
Instant ticket sales	\$ 335,000,613
Online ticket sales	73,662,767
Retailer application, fidelity and service fees	550,952
Other revenue	<u>20,346</u>
 Total operating revenues	 <u>409,234,678</u>
 Operating expenses:	
Instant game prizes	241,758,220
Online game prizes	38,708,574
Retailer commissions	23,253,196
Gaming contract costs	20,622,707
Compensation and benefits	5,382,544
Marketing, advertising and promotions	5,032,317
General and administrative expenses	1,274,003
Services provided by Arkansas Department of Higher Education	538,487
Services provided by Arkansas Division of Legislative Audit	129,960
Legal and professional services	12,528
Depreciation	<u>158,363</u>
 Total operating expenses	 <u>336,870,899</u>
 Operating income	 72,363,779
 Non-operating revenue:	
Interest income	<u>224,546</u>
 Income before transfers	 72,588,325
 Transfers to:	
Education Trust Account	(72,619,369)
Arkansas Department of Human Services	<u>(200,000)</u>
 Change in net position	 (231,044)
 Total net position - beginning	 <u>9,803,518</u>
Total net position - ending	<u><u>\$ 9,572,474</u></u>